Daily Report

East Europe

FBIS-EEU-91-122
Tuesday
25 June 1991

Daily Report
East Europe

FBIS-EEU-91-122 *25 June 1991*

CONTENTS

NOTICE TO READERS: • indicates material not disseminated in electronic form.

ALBANIA

French 'Maltreatment' of Travelers Protested *[ATA]* 1
Ministry Spokesman on Repatriations *[Tirana Radio]* 1
Council Calls For Revision of Land Bill *[Tirana Radio]* 1

BULGARIA

BSP's Yonchev Surveys Party's Policy *[DUMA 18-19 Jun]* 3
Dimitrov's Party Conference Statement Reported *[BTA]* 5
Group of 39 Will Not Return to Legislature *[Sofia Radio]* 5
Progress of Constitution Bill Reviewed *[BTA]* 6
Popov 'Optimistic' About 'European Future' *[BTA]* 6
Labor Daily Article Analyzes Privatization *[BTA]* 7

CZECHOSLOVAKIA

Gorbachev Unlikely To Attend Warsaw Pact Summit *[CTK]* 8
Protocol on Soviet Troop Withdrawal Signed *[Prague Radio]* 8
Dubcek Welcomes Departure of USSR Troops *[CTK]* 8
Preparations Made for Passage of Soviet Troops *[LIDOVE NOVINY 22 Jun]* 8
No Major Obstacles to EC Association *[CTK]* 9
'Marked Progress' in EC Talks *[CTK]* 9
Dienstbier Comments Upon Return From Berlin *[LIDOVE NOVINY 21 Jun]* 9
Rychetsky: Central European Cooperation Suitable *[CTK]* 9
Environmental Cooperation Accords Signed *[CTK]* 10
Prime Minister Calfa Defends Economic Policy *[MLADA FRONTA DNES 20 Jun]* 10
Langos Defends Personnel Policy, Secret Service *[SMENA 18 Jun]* 10
Meciar Addresses HZDS Constituent Congress *[CTK]* 11
HZDS Outlines Views on State Arrangement *[NARODNA OBRODA 20 Jun]* 12
Conservative Block Established in National Council *[OBCANSKY DENIK 20 Jun]* 12
Slovak Social Democrat Leader on Sovereignty *[Bratislava Radio]* 12
Missik: Slovak DS 'Fully Supports' Federation *[CTK]* 13
VPN Election Termed 'Chance for Slovakia' *[CTK]* 13

HUNGARY

President Goncz on Independence, USSR *[MAGYAR NEMZET 22 Jun]* 14
Bank Official Comments on Gold Reserves *[Budapest Radio]* 15
Hard Currency Income From Tourism Up *[MTI]* 15
Antall Interviewed on London G-7 Meeting *[MTI]* 16

POLAND

Controller Strike Almost Caused Militarization *[Warsaw Radio]* 17
Industrial Strikes Continue Across Country *[PAP]* 17
Party Leaders Interpret Walesa Statement on Sejm *[PAP]* 17
Center Accord Supports Walesa, Sejm Dissolution *[Warsaw Radio]* 18
Political Parties Press Walesa On Election Bill *[PAP]* 18
Presidium Warns Against Radical Political Moves *[PAP]* 18
Skubiszewski Comments on Meeting Bessmertnykh *[Warsaw Radio]* 18
Environmental Damage by Soviet Forces Assessed *[ZYCIE WARSZAWY 19 Jun]* 19

US Ports Opening to Polish Shipping *[GLOS SZCZECINSKI 12 Jun]* 19
Geremek Comments on Elections, Walesa, Europe *[Vienna DER STANDARD 24 Jun]* 20
Deputy Geremek on Evolution of Democratic Union *[SLOWO POLSKIE 15-16 Jun]* 21

ROMANIA

Parliament Denounces Ribbentrop-Molotov Pact *[ROMPRES]* 23
Nastase Denounces Pact *[ROMPRES]* 24
Moldovan Minister Comments on Cooperation Pact *[ROMPRES]* 27

YUGOSLAVIA

Markovic Addresses Croatian Assembly *[Zagreb Radio]* 28
Federal Chamber Discusses Slovene Dissociation *[TANJUG]* 35
Press Comments on Upcoming Slovene Independence *[TANJUG]* 35
Draft Slovene Act of Autonomy, Independence *[TANJUG]* 35
Press Views Slovene, Croatian Independence *[TANJUG]* 36
Federal Chamber Against Slovenia's Secession *[Belgrade Radio]* 37
Slovenia Criticizes EC Decision on Nonrecognition *[TANJUG]* 37
Peterle on Slovenia's Independence *[TANJUG]* 37
Slovene Assembly Discusses More Independence Laws *[Ljubljana Radio]* 38
Slovenia To Adopt 'Constitutional Act' 26 Jun *[TANJUG]* 38
Slovene Assembly Approves New State Symbols *[Belgrade Radio]* 39
Croatian Independence Proclamation Expected Today *[TANJUG]* 39
Vienna Radio Reports on Independence Preparations 39
Croatia To Declare Independence 25 Jun *[AFP]* 40
Croat Assembly Discusses Dissociation *[Zagreb Radio]* 40
Croatian State Council Discusses Situation *[Zagreb Radio]* 41
Croatian Press Views Markovic's Strategy *[TANJUG]* 41
Croatian Parties Comment on Manolic's Views *[TANJUG]* 42
Croatian Assembly Official Criticizes Loncar *[TANJUG]* 42
Serb Leaders on Current Conflict *[Vienna PROFIL 24 Jun]* 43
Gligorov Warns Against 'Fatal' Unilateral Moves *[TANJUG]* 44
Macedonia Prepares for Possible Dissociation *[TANJUG]* 44
Central Bank: Balance of Payments Deteriorating *[TANJUG]* 44

French 'Maltreatment' of Travelers Protested

AU2406200591 Tirana ATA in English 1819 GMT 24 Jun 91

[Text] Tirana, June 24 (ATA)—On June 24, the Foreign Ministry of the Republic of Albania addressed to the Ministry of Foreign Affairs of the French Republic a note which expresses regret and protest on the maltreatment of the 26 Albanian nationals, who, although equipped with the visas approved by the Ministry of Foreign Affairs of France, were forcefully sent back to their home country without visiting their relatives in France.

The Ministry of Foreign Affairs of the Republic of Albania expresses its protest at such behavior, which represents a violation of human rights and falls into open conflict with the spirit of the CSCE documents on people's free movement and circulation. In this connection, the Albanian Foreign Ministry demands that the responsible French authorities pay compensation for the tickets used by the aforementioned citizens, and, in the context of the friendly relations between the two countries, create possibilities for them to visit their relatives in France.

Ministry Spokesman on Repatriations

AU2406201191 Tirana Radio Tirana Network in Albanian 1800 GMT 24 Jun 91

[Text] A news conference was held at the Ministry of Foreign Affairs in Tirana today in connection with the forced repatriation from France of 26 Albanian citizens who had gone on business or to visit their relatives. Representatives of the national press, ATA, the radio, and the television were present.

Ksenofon Kristaqi, chairman of the ministry's Legal Bureau, said that a number of Albanian citizens arrived at Paris on an Air France flight on 16 June, on business or to visit their relatives. According to the procedure established by the French side on 29 August 1990, the visas for the aforementioned citizens were approved by the French Foreign Ministry, to be collected, according to the practice of the French authorities, at the airport of arrival in Paris. The Albanian citizens, having been informed of the approval of their visas, arrived in Paris. Unfortunately, Kristaqi continued, instead of being treated normally and under the regulations, they were put into isolation as soon as they were identified as Albanian citizens and were maltreated in an inexcusable fashion.

Despite the diplomatic interventions of the Albanian Embassy in Paris at the French Foreign Ministry and the relevant French police authorities and of the Foreign Ministry of the Republic of Albania at the French Embassy and to the French ambassador extraordinary and plenipotentiary in Tirana personally, to find a suitable and positive solution within the context of friendly bilateral relations, and despite an offer of a guarantee by the Albanian state that the Albanians would return as soon as their visas expired, the border authorities of the French police did not show the understanding necessary to solve the problem, on the pretext of a lack of documentation. Even when the Albanian citizens concerned supplied the relevant documents with the help of their relatives living in France, they still paid no attention. These Albanian citizens were treated in an inhuman way, although their French visas had been approved. The 26 Albanian citizens, including children, were compelled to return to Albania by force, handcuffed and under police escort.

Replying to a question by ATA journalists, Petrit Kocia and Hamdi Dega, the REPUBLIKA journalist Petro Dhimitri, and other journalists present at this news conference, Ksenofon Kristaqi explained the possible reasons for the repatriation of the Albanian citizens from France, which, he said, included fear of a possible exodus of Albanians to France, because about 40 Albanians have been going to France every Sunday by Air France.

This is the first time, he said, that such an incident has occurred, and it is unusual in the relations between our countries. In conclusion, he expressed the desire that no such incidents should recur, and that the friendship between our two countries should continue to develop as hitherto in accordance with the regulations with the human rights and freedoms laid down in the CSCE documents.

Council Calls For Revision of Land Bill

AU2406200491 Tirana Radio Tirana Network in Albanian 1800 GMT 24 Jun 91

[Text] The Council of Ministers met on 24 June 1991, examined a range of important problems concerning the countryside, and made various decisions.

First, the members of the government discussed at length the land bill submitted to the Council of Ministers. They had many comments, and suggested that this bill should be revised and added to. The comments and suggestions involved matters of principle and substance. After a long intellectual battle and a discussions of alternatives that were presented, the Council of Ministers decided that this bill, submitted by the Agriculture Ministry, should be revised, reworked, and added to by the Ministries of Agriculture, Economy, Finance, and Justice. It instructed those in charge of these ministries to submit a revised land bill by 26 June 1991, which, after being examined again by the Council of Ministers, will be sent to the People's Assembly for approval.

In connection with the enactment of the land bill, the Council of Ministers decided to create a land commission and approved regulations for registering changes in land use. It was decided to create land commissions at government, district, and village level. The government land commission will be answerable to the Council of Ministers, headed by a deputy prime minister, and will work under the Agriculture Ministry. It will supervise the enforcement of the land law and will offer solutions

to problems that have arisen or will arise in the course of the distribution of land within the cooperatives and between cooperatives and districts.

The meeting also outlined specific tasks for the district land commissions, which will be led by leaders of the Executive Committees, and the village land commissions, which villages themselves will elect. The chairmen of the village land commissions will be elected by a vote of the commissions.

The Council of Ministers especially discussed the approval of the regulations on registering land and changing land use. These regulations define the duties and responsibilities of the Land Registry [kadaster], a procedure for approving changes in land use, for the transfer of land from various economic bodies, and for the allocation of land for building.

The Council of Ministers' meeting is continuing and is examining problems concerning the work of agricultural cooperatives, especially those in hilly and mountainous areas, which have had little or no land. It is also considering the measures that must be taken to eliminate the irregularities observed in the distribution of livestock, and a decree on bank credits for agriculture and on the operation of the Agricultural Bank.

BSP's Yonchev Surveys Party's Policy

AU2306144591

[Editorial Report] Sofia DUMA in Bulgarian on 18 June on page 4 and on 19 June on page 4 carry a two-part 5,500-word article by Dimitur Yonchev, deputy chairman of the Supreme Council of the Bulgarian Socialist Party (BSP), entitled: "On BSP Policy Today and Tomorrow."

In his introductory remarks, Yonchev points out the political chaos and lack of direction reigning at present in the country. He continues: "If for example I wanted and was able to throw a hostile country into chaos and turbulence, I would send leaders to infiltrate the legislature of that country, to lead antilegislative forces, and to exert extralegislative pressure until they make the legislature unable to function. This would cost me a lot of money and time. However, in Bulgaria this is being done without cost (or at least it seems so), quickly, and with much striking of poses." In this situation, asserts Yonchev, the BSP must have specific, practical policies, otherwise "we will join the armchair pundits who fill the Bulgarian political scene today."

Yonchev then reviews in positive terms the track record of the BSP's century-long struggle for socialism, praising the success of the party's collectivization of agriculture in the fifties and sixties with the establishment of labor cooperative farms (which is currently attracting sharp criticism from the two Bulgarian Agrarian Parties). According to Yonchev, the "immense support" won by the BSP in the June 1990 elections was a "response to this correct policy."

Nevertheless, Yonchev admits, the BSP "gradually slipped into a crisis," which "was and is primarily a political crisis." "In recent decades," he continues, "the top party leadership failed to correctly evaluate the humanitarianization of the modern world, did not perceive the awakening of the sense of individual dignity in the citizen of the informed society, and was unable to give up exercising power by force...."

According to Yonchev, the events of 10 November 1989 "were not an act marking the start of a program for democratic change in the party and society, because such a program simply did not exist, but was rather an expression of the deep national manifestations of crisis in the system of European socialism practiced by force." At present, Yonchev says, "the outlines of a new policy are gradually emerging in the BSP's direct political activity," but there is need of a clear program for strategy and day-to-day action.

Yonchev then surveys the basic values of BSP policy, which he believes have changed little over the party's history. He first considers various aspects of the "problem of social justice" in present-day conditions: reports of persecution of BSP members, rising unemployment, the difficulties facing small farmers who are getting back their land but have no capital or farming equipment, and "the question of justice and freedom of labor under the new conditions," which includes "the issue of the employees of an enterprise undergoing privatization, who cannot see how they will become owners of the enterprise." "The complexity of the problem," Yonchev continues, "lies in the necessity to change the conditions of life; it is necessary, as the wilder segments of the opposition like to say, to effect 'a change of the system.'"

Yonchev singles out "as the two most important elements in the practical policy of the BSP: first, the need to take account of the conditions, and, second, to find the most precise policy goals and means for these conditions."

The first goal of BSP policy, says Yonchev, is to establish a normal economy. Until recently, he admits, "our economic activity had no market and was highly centralized, being built up from monopolies, with no competition." As a result, no true economy existed, and society ceased to be governed by the rules of economics and "was controlled by other levers, purely political ones."

"Now," Yonchev writes, "the normalization of society poses as the primary question the issue of creating an economy." In his view, the lack of an economy, not political violence, is "the gravest legacy of totalitarianism." Accordingly, "the uniform element of the BSP's practical policy is to create laws...and act to develop a normal economy, which will replace the politicized economic system that became totally ineffective." This is why the BSP legislative group cooperated in passing the laws on privatization, land ownership, and competition, and other necessary economic legislation.

The second element of the party's policy, according to Yonchev, is "to directly guarantee justice and freedom for labor in the conditions of a harsh market and a functioning economy." Evidently highly aware that the BSP draws its greatest support from rural areas, Yonchev then proceeds to examine the problems now facing the labor cooperative farms, "which have been placed in extremely disadvantageous and even disastrous conditions for their operation." These farms could not find their way through "the constantly changing complex legislation situation" and had little money; they were unable "to study marketing, ensure their independence from the monopoly purchasing organizations, get to know foreign markets, master modern farming methods and technologies, or to acquire modern equipment and facilities." "By force of habit," asserts Yonchev, "even today they depend on the goodwill of the center. However, first, goodwill no longer exists in the center (it is even openly stated that the labor cooperative farms must completely disappear); second, there is no money available; and third, the center has almost ceased to exist."

The solution offered by Yonchev is to create from below new "cooperations of cooperatives" by merging 10 to 15 labor cooperative farms in each given region, adding to them rural cooperatives and even cooperatives of private farmers who seek security. These new associations, suggests Yonchev, should be set up as legal companies, with their

own teams of lawyers, agronomists, financial and other specialists, to ensure that the new large cooperatives operate successfully under the new market conditions. Yonchev claims that they "will be able to compete in the domestic and international markets," and "will become a new support for guaranteeing a good and balanced life." Yonchev adds that the BSP policy should be directed toward assisting the new large cooperatives in every way. He points out that farmers in some rural areas, such as Brezovo, Borisovo in Ruse district, and elsewhere, are already moving in the direction he advocates.

Yonchev believes that the new economic legislation will lead to the appearance of large numbers of small and medium-sized private businesses and production facilities in the towns, and that the BSP's policy should be to provide for their effective protection and encourage them to form town cooperatives and associations. In the field of company privatization, the BSP should ensure all conditions to enable the former employees to become co-owners of the privatized enterprises. He sums up his argument as follows: "In the country, the town, and the enterprises, our policy should be one and the same: to guarantee freedom of labor, to achieve a high degree of social security in the production units, and to ensure that they become strong, competitive participants in the market." He claims that "the success of such a policy on the national scale would mean success for the economy as a whole."

Yonchev then considers "the ideological dimensions of BSP policy," in which he identifies three main goals: "First and foremost, it will be necessary to create a normal economy"; second, in this economy we must seek those forms of labor that to the greatest extent provide social guarantees to protect labor against capital"; and third, "in the political means we use, we as a party must give up for all time the exercise of power by force."

Further, Yonchev urges that "our policy should not be based on differences between the forces of the left, but on their unity of action," adding that "this is why our party needs the internal pluralism that today is disturbing many of its members." The party "also needs interparty cooperation with the democratic and left-wing forces in society."

Yonchev regards as "completely wrongheaded" the recent "efforts...to combine social democracy with Marxism-Leninism and thus mix ideological cocktails with the sole practical aim of pursuing transitory political goals of the moment and satisfying personal ambitions." He asserts that the real situation is more complex than its ideological image, and we must be realists in order to deal with it, while not departing from the basic goals of socialism: "freed labor, overcoming of alienation, humanity, and democracy."

Having outlined his conception of the BSP's policy (albeit in extremely general terms), Yonchev acknowledges that "the BSP's new policy is encountering difficulties." "The communist ideologization of yesterday is today promoting strong anticommunism. Yesterday's collectivism is today giving rise to crass individualism. Yesterday's links with the USSR are promoting anti-Soviet and pro-American attitudes in high doses." "If the pendulum remains in its new extreme position," Yonchev warns, "the policy of struggle for a better and more democratic life will remain an illusion."

Yonchev then considers the activities of the opposition, "which as a whole is proving incapable of undertaking constructive actions. It is an opposition built upon negative attitudes, with no constructive policies and no creative political program." According to Yonchev, the opposition's aims boil down to demands "to eliminate the nomenklatura, condemn the guilty parties, nationalize BSP property, dissolve the Grand National Assembly, topple the communist president, and overthrow the BSP government." He further warns that "the opposition's activity makes our country interesting for outside forces," adding that "the progress of the changes in Bulgaria does not correspond to the anticommunist schemes of certain Western circles, and makes them more demanding toward their friends in Bulgaria." Yonchev considers that "taken together, all this forms a major obstacle and creates substantial difficulties for the BSP to conduct a constructive, socially oriented policy."

Yonchev then asks: "How does the BSP look now?" He answers: "To the party's supporters,...the BSP leadership appears to be lacking in confidence, over-eager to make concessions, and even scared. In their view, it cannot guarantee the lost social comfort and especially the good political position held in previous years." In the eyes of the opposition, Yonchev further asserts, "the BSP is the very image of the enemy, and the name of this enemy is not the BSP, but the Bulgarian Communist Party." "These extreme views on the BSP," Yonchev continues, "impose on it a heavy burden as a political force whose good intentions are almost never understood as such, but most often as attempts at deception." All this detracts from the BSP's position in society, hindering it from "becoming an attractive force and implementing the best practical policy," so that the party finds it difficult "to defend Socialists and raise the slogan of socialism," and is forced into adopting "a policy of flexibility according to the needs of the moment, which...prevents it from taking the strategic initiative in politics."

According to Yonchev, the party's error since November 1989 lies "not in its making concessions, but in its not advancing determinedly on the road of a new policy." The party's new policy, he asserts, "demands activity and openness, boldness and final dissociation from the policies and means of the past," instead of half-measures. He points out that the BSP still has a strong nationwide party organization and a large membership, and it only needs to unite its supporters around "a clear, socially convincing policy" in order to be successful.

Regarding the issue of responsibility for past errors, Yonchev says that the guilt lies at the door of individual leaders, "and most of all the supreme party leadership," who must take the responsibility and pay the price. "The BSP needs these issues to be cleared up once and for all, in order to be able to calmly continue on its way to the future."

Yonchev says that if it likes, the party can continue on its present path, "lacking a positive new policy, and acting primarily through half-measures and by responding to the political situation of the moment." In such an event, he asserts, "we may become witnesses of a decline in our influence until it becomes insignificant, as the opposition wants, and as has been the case in certain other former socialist countries." Yonchev considers that "this would be sad, but not tragic," because if the BSP drops the baton of socialism, others will be ready to pick it up later. "In the historic sense," he claims, "the fate of socialism is that it will be imposed." "Our role today lies in whether to continue this fight for socialism in real conditions of a normal economy and a democratic political system, or to allow the fight to resume in the future (sooner or later) under much more difficult conditions. I support continuing this struggle right now, and believe that it should be a good-mannered political struggle of civilized political forces."

Yonchev concludes by stating some personal opinions. He declares his personal hatred for Zhivkov, "because of what he symbolized and managed to impose—a barbarization of the illusory fairy-tale socialist idea, primitiveness and lack of culture, and a style that today stifles our entire political life." Likewise, Yonchev detests "the newly emerged so-called democrats, who tirelessly disseminate hatred and cannot distinguish sound thinking from insanity, duty from arbitrary action, or honor from rudeness."

Dimitrov's Party Conference Statement Reported

AU2406195091 Sofia BTA in English 1710 GMT 24 Jun 91

[Text] Sofia, June 24 (BTA)—The National Coordinating Council of the Union of Democratic Forces (SDS) is satisfied with the results of the SDS National Conference and assesses them as an important step towards ensuring the coalition's success in the forthcoming elections, it is said in a statement of the SDS Coordinating Council published today.

SDS leader Filip Dimitrov told the press that nobody contested the results of the conference at today's meeting of the Coordinating Council (comprising representatives of all SDS parties and organizations). Among the most important results was the agreement reached that the SDS should develop as a national movement of parties, organizations and citizens and run on a single ticket in the forthcoming elections.

The leaderships of the Bulgarian Social Democratic Party (BSDP), the Nikola Petkov Bulgarian Agrarian Party and the Green Party will hold meetings at the end of the week to decide whether their parties should run in the new elections on separate tickets or join the other SDS parties. A few days before the SDS National Conference Mr. Aleksandur Karakachanov, leader of the Green Party, suggested a new election formula—one ballot-paper—three lists (SDS-Centre, SDS-Liberal Platform, SDS-National Movement). Despite disagreements on certain details I believe that the BSDP will take part in the elections on the single SDS ticket, Mr. Angel Akhryanov, BSDP spokesman, said.

In its statement the Coordinating Council supports President Zhelev's view that the Grand National Assembly should dissolve itself on July 17 no matter whether it has adopted the new constitution or not and fix a date for new elections in September. The Coordinating Council appeals to all MP's elected on the SDS ticket to focus their attention on the problem whether the draft constitution is consistent with the democratic criteria for building a new Bulgaria.

The Coordinating Council believes that the National Conference ended successfully, Mr. Dimitrov said. According to him, the SDS conference was the most important event in Bulgaria last week because after all the developments in the SDS are of national importance.

Group of 39 Will Not Return to Legislature

AU2406161191 Sofia Khorizont Radio Network in Bulgarian 1500 GMT 24 Jun 91

[Text] Yordan Vasilev, spokesman for the National Movement-Union of Democratic Forces [SDS] legislative faction—the group of the 39—issued the following statement:

The legislators of this faction declare:

Several mass media reported today the rumor that we intend to return to the legislature. The reports in OTECHESTVEN VESTNIK and the Bulgarian Radio are groundless. We support our well-known position—we will participate in the Grand National Assembly sessions only after the date of the new elections is set.

We appeal to the other deputies, elected with the blue ballot, to analyze their position in the light of the decisions of the SDS leading organs, and the new situation that emerges at the discussion of the draft constitution at second reading, which creates a real danger for the country's future development.

Various statements have been aimed at convincing the society that we are against the legislature. We insist on elections, and this means that we support legislative democracy. We are against this legislature, and society understands well the reasons. The statements serve the interests of certain circles within the Bulgarian Socialist Party, regardless of who issues them, the statement of the National Movement-SDS legislative faction reads in conclusion.

Progress of Constitution Bill Reviewed

AU2106171191 Sofia BTA in English 1647 GMT 21 Jun 91

[Evgeniya Drumeva report]

[Text] Sofia, June 21 (BTA)—So far parliament has managed to pass about two-thirds of the new constitution on second reading but it has leap-frogged all sticking points. The constitution requires a simple majority for passage on second reading, but a two thirds majority on third reading (i.e. 267 of the 400 MP's should vote in favour).

The final adoption of the new constitution will probably require a consensus on a number of controversial clauses. However, some of the MP's may refuse to sign the document on moral grounds—there are doubts as to whether this parliament has a moral quorum after a total of 70 MP's (50 radicals of the Union of Democratic Forces (SDS) and the faction of the Movement for Rights and Freedoms (DPS) walked out of it. The latest opinion polls showed that 41 per cent of Bulgarians do not believe that this parliament is able to draft a democratic and modern constitution, 35 per cent consider this possible and 25 per cent said they did not know.

The already adopted Article 1 of the new constitution defines Bulgaria as a republic with a parliamentary form of government. Bulgaria is an integral state with local self-government in which no autonomous territorial formations shall be allowed.

However, as early as at Article 3 the MP's engaged in heated debate and the DPS faction walked out. According to Article 3, Bulgarian is the official language of the Republic of Bulgaria and its usage in state institutions and in social relations is obligatory. What caused the debates was the expression "social relations," which, according to many jurists, is too "vague."

The vote on the clause prohibiting retroactive laws was also adjourned. The MP's of the SDS in particular are strongly opposed to it. They believe that if this clause is passed the crimes committed by the former regime will go unpunished.

It is still unknown whether the new constitution will expressly ban "political parties formed on an ethnic, racial and religious basis, as well as ones which aim at a forcible takeover of state power or incite ethnic, racial or religious hatred." Arguments focused on who could judge what the purposes of a party are and whether it intends to seize power by force.

The article listing units of exclusive state property was also sidestepped for the time being.

The powers of the legislative, the executive and the judiciary branches are also controversial. Many experts believe the new constitution enhances the powers of parliament while restricting presidential powers, though he is elected directly. Other experts argue against direct presidential elections as running contrary to the parliamentary nature of the republic.

The National Assembly exercises legislative power and parliamentary oversight. It consists of 240 members elected for a four-year term of office under constitutional clauses which have already been passed. On this point it is being argued who can dispute and decide the problem of legitimacy of parliamentary elections.

Though it has not decided on the powers of the president yet, parliament passed a clause providing for direct presidential elections. The president will be elected for a five-year term.

A Bulgarian citizen by birth who is over forty years of age and has been resident of this country for the last five years is eligible for president. This decision was preceded by many arguments as to who can be a candidate for head of state. The opposition wanted a special provision that the candidate for president should have been born in Bulgaria but the Socialists objected to this motion. According to them it was meant to disqualify former Prime Minister Andrey Lukanov, who was born in Moscow, and Mr. Georgi Pirinski, another Socialist leader and former deputy prime minister, who was born in New York. On the other hand, the opposition MP's believe the five-year residence qualifications are directed against the exiled Bulgarian King Simeon II, who said recently that if Bulgarians categorically favour the republic, he does not rule out the possibility of running for president.

According to a recent parliamentary resolution the third reading (signing) of the constitution will take place in Bulgaria's ancient capital, the town of Veliko Turnovo, on July 17.

Popov 'Optimistic' About 'European Future'

AU2406202291 Sofia BTA in English 2005 GMT 24 Jun 91

[Text] Sofia, June 24 (BTA)—Prime Minister Dimitur Popov is optimistic as regards Bulgaria's European future. Upon his return from Switzerland today, where he took part in the international forum on issues of the transition to a market economy in central and Eastern Europe, and after his unrealized official visit to Liechtenstein, Mr. Dimitur Popov expressed before journalists his conviction that as early as this autumn Bulgaria will be associated into the EC.

The central and East European countries will be ready and will be able to enter the European Economic Communities, he stressed. Mr. Popov added that this is one of the aims of these countries and that it should be regarded as the future of a new and united Europe.

Labor Daily Article Analyzes Privatization

AU2406114991 Sofia BTA in English 1029 GMT 24 Jun 91

[Text] Sofia, June 24 (BTA)—Prof. Georgi Petrov analyses in "TRUD" the problems of privatization under the headline "Who Will Buy State Enterprises?"

According to him, exponents of powerful political and economic interests, taking advantage of some people's patriotism and others' naivete, are campaigning for a slow-down and delay of privatization under the pretext "to prevent selling Bulgaria to foreigners dirt cheap" and "to give everybody an equal start." "It is quite possible that the parties in interest will use the Privatization Act to postpone the beginning of state property sales by a few months or a year so that privatization will take more than 10-20 years. During this time fraudulent elements, be they of the old or new nomenklatura, the old or new apparatus, will be embezzling state property. Despite all bans, restrictions and controls. Or perhaps thanks to them," Prof. Petrov writes.

The author points out the procrastination of the Land Act enforcement as a glaring example. "Owners will probably not receive their land even next year. Disorganized, torn apart, and living for the day as they are, cooperative farms together with bureaucratized state-owned purchasing, trading and processing companies will probably join their efforts to give Bulgarians another hungry winter," Prof. Petrov writes.

The article predicts that if an enterprise is auctioned and its staff are granted a 15 per cent discount or are given the chance of buying one-fifth of the stock at a 25 percent reduction, in the case when the enterprise is converted into a joint-stock company as envisaged in the privatization bill submitted to parliament, then a great part of the population will have a nominal participation in the privatization. Now the fixed assets in Bulgaria are estimated at some 400,000-500,000 million leva, while Bulgarian citizens have "merely 30,000 million" in their saving deposits, the author recalls.

Mr. Petrov recalls the project elaborated by eminent Western specialists for the sale of state enterprises to their staff, spreading payments over a period of five or ten years. He points out that this is an effective way to carry out rapid privatization which, in addition, will relieve the budget of the burden of maintaining unprofitable or loss-making companies.

This idea has been ignored in the bill, the author observes, and sharply criticizes the proposal according to which all owners should get a 20 percent compensation for their property nationalized in 1947.

In Mr. Petrov's opinion the bill is also overwhelmed by the instinct for red-tape apparatus decisions and structures inherited from the time of totalitarianism. He points out that it is envisaged to vest "superpowers" in the national privatization agency and its local branches. "The presumption is that the people working in it and in its local commissions will be not only competent on all matters, but just and incorruptible as well. It's the eternal illusion of 'the good new administration,'" the author comments.

Relying on the miraculous power of bureaucracy, in actual fact the country's legislators have isolated from the privatization process the employees, who will have to pay with their wages and jobs for all consequences of the apparatus-made decisions. And obviously the shop-floor people who know better than officials in Sofia about the problems of the enterprises they work for, i.e. they know their own problems and interests, writes in conclusion Professor Georgi Petrov, who last year was named "Mr. Economy" for a series of publications devoted to the transition to a market economy.

Gorbachev Unlikely To Attend Warsaw Pact Summit

LD2406134591 Prague CTK in English 1211 GMT 24 Jun 91

[Text] Prague June 24 (CTK)—Czechoslovak presidential spokesman Michael Zantovsky welcomed here today the completion of the withdrawal of Soviet troops from Czechoslovakia as "a moment we had long awaited", adding that President Vaclav Havel will comment on it later this week.

Tomorrow Havel will receive General Eduard Vorobyev, commander of the Central Group of Soviet Troops which left Czechoslovakia Friday night.

Zantovsky told journalists that the transit of Soviet troops from the former GDR via Czechoslovakia is possible under precisely determined conditions which would guarantee Czechoslovakia's security and integrity in the course of the transit. "Both sides seem to have made progress on this question so as to ensure such conditions", he said.

Sooner or later Soviet President Mikhail Gorbachev should pay a visit to Czechoslovakia, Zantovsky said, and added that Gorbachev was expected to attend a session of the Warsaw Pact Political Consultative Committee, due in Prague next week. For political reasons at home, however, he will apparently be unable to take part, Zantovsky said.

Asked whether Czechoslovakia would acknowledge Slovenia as an independent state, Zantovsky said any comment on this issue would be preliminary. Czechoslovakia is interested primarily in stability in central and eastern Europe as well as in respect for the right of nations to self-determination, which President Havel himself has been supporting, Zantovsky said.

He briefed journalists on state visits to Czechoslovakia by Mexican President Carlos Salinas de Gortari on July 2-3 and by Italian President Francesco Cossiga on July 4-6.

Protocol on Soviet Troop Withdrawal Signed

LD2506104691 Prague Ceskoslovenskiy Rozhlas Radio Network in Czech 0900 GMT 25 Jun 91

[Text] The protocol on the completion of the Soviet troop withdrawal from Czechoslovakia was signed in Prague this morning. Lieutenant General (Rudolf Duchacek) signed on behalf of Czechoslovakia and General Eduard Vorobyev on behalf of the Soviet Union. By signing the document they legally confirmed that to date two thirds of the Czechoslovak-Soviet intergovernmental agreement on Soviet troop withdrawal has been fulfilled, and that the withdrawal of the Soviet Army, stationed in Czechoslovakia for almost 23 years since its invasion on 21 August 1968, has been completed. The part of the agreement which still remains to be fulfilled concerns compensation for the material, ecological, and other damage caused by the Soviet Army's presence. Experts have estimated the damage at 4 to 5 billion korunas. After the signing of the protocal today, not a single Soviet soldier should be present on our territory. General Vorobyev and his entourage are due to leave on Thursday 27 June.

Dubcek Welcomes Departure of USSR Troops

LD2306185991 Prague CTK in English 1658 GMT 23 Jun 91

[Text] Bratislava June 23 (CTK)—Chairman of the Czechoslovak Federal Assembly (Parliament) Alexander Dubcek told CTK today he welcomed the departure of the Soviet soldier from Czechoslovakia as any other Czechoslovak citizen of the country.

"Neither armed force can for long suppress people's desire to decide about their own destiny", he said.

The last Soviet transport left the Czechoslovak territory via the Cierna nad Tisou, East Slovakia, border crossing on Friday June 21.

Dubcek said that the presence of the Soviet troops gave support to the internal militant policy of the "normalisers", i.e. those who were in power after the Soviet-led invasion of five Warsaw Pact crushed the communist-led reform movement in Czechoslovakia in August 1968.

Dubcek was a leading figure of the movement known as "Prague Spring" and was one of the signatories of the Moscow agreement on the "temporary" stay of Soviet troops in Czechoslovakia.

He told CTK in this connection that "if a state is forcibly occupied, the 'winner' dictates his terms. The suppressed 'accepts' them because he has no other possibility if he does not want to risk an encounter between the people and the aggressor."

Dubcek added that were it not for the reform policy of Mikhail Gorbachev, the treaty on the Soviet troop departure could not have been signed.

The treaty was signed in February 1990 when 73,500 Soviet soldiers were in Czechoslovakia.

Preparations Made for Passage of Soviet Troops

AU2406160791 Prague LIDOVE NOVINY in Czech 22 Jun 91 p 1

["tk"-signed report: "An Intricate Return"]

[Text] Prague—In its last session, the Federal Government entrusted the minister of transport with the task of arranging with foreign partners the details of the transport of Soviet troops from Germany through our territory.

According to the preliminary schedule, four Soviet military trains should pass through Czechoslovakia in 24 hours, and no more than eight trains could be in the

Czechoslovak territory at the same time. Although we have not been approached officially regarding the transport, the government gave its advanced approval. The general staff has worked for some time already on the preparations of security for the entire procedure. There will be some limitations imposed, for instance, on the transport of ammunition. According to the staff of the Central Directorate of the Czechoslovak State Railway, the transport of the Soviet troops could be an order that would help to deal with their currently sad financial shape. Further negotiations will take place next week.

No Major Obstacles to EC Association

LD2206173491 Prague CTK in English 1257 GMT 22 Jun 91

[Text] Brussels June 22 (CTK)—The chief representative of the European Community to the negotiations on association of Czechoslovakia, Hungary and Poland with the EC has told CTK there exist no major obstacle to Czecho-Slovakia's association.

The EC chief negotiator, Pablo Benavides, was speaking with CTK after the 5th round of the talks on Czechoslovakia's association which ended here last night.

Head of the Czechoslovak delegation, Deputy Foreign Minister Zdenko Pirek, said that a substantial part of the proposals on economic cooperation submitted by Czechoslovakia were accepted by the EC.

The proposals aim at support for Czechoslovak reforms and the conversion of the arms industry to non-military, and at modernisation of the economy.

Pirek said that Czechoslovakia wants to intensify work on drafting the association accord so that it may be initialed in the autumn.

'Marked Progress' in EC Talks

LD2506005991 Prague CTK in English 1932 GMT 24 Jun 91

[Text] Brussels June 24 (CTK)—A report issued by the European Commission today says that marked progress was achieved at the fifth round of talks on Czechoslovakia's future association with the European Community.

The talks ended in Brussels last Friday.

According to the report, both sides reached agreement in principle on the preamble to the association accord and on the articles concerning political dialogue and economic and cultural cooperation. Progress has also been made on financial cooperation.

The report says that Czechoslovakia has proposed mutual trade concessions, but further technical talks will have to be held to clarify all issues.

Dienstbier Comments Upon Return From Berlin

AU2406155491 Prague LIDOVE NOVINY in Czech 21 Jun 91 p 2

["(ac)"-signed report: "Principles and Compromises"]

[Text] Prague—"The compromise in the issue of convening urgent consultations—reached in the Berlin meeting—rests on implementing two principles," said Foreign Minister Jiri Dienstbier on his arrival in Prague. He was explaining the mechanism of one of the most important points agreed upon by the heads of the 35 CSCE states' diplomatic corps.

"On the one hand, the so-far strictly adhered to principle of consensus was exceeded. A request by at least 12 states is enough to convene an urgent meeting on possible crisis situations. However, the agreement of all 35 states is necessary for a decision at the meeting itself. This way it is possible for a state that considers the decision to be interference in its internal affairs to actually implement its right of veto," said J. Dienstbier. In reply to a question from LIDOVE NOVINY on whether, during his meeting with U.S. Secretary of State James Baker, he discussed the fact that an agreement between the CSFR and the United States on protecting investments was not signed during Vice President Dan Quayle's visit to Prague, the minister said: "This is a problem that has to be resolved on a political, and not on a technical, level. Part of the agreement concerning what is excluded from it—as drafted in accordance with American legislature—seemed very asymmetrical. There is now an agreement that these matters will be dealt with." In reply to a question about the presence of representatives from the Baltic states, J. Dienstbier said that Czechoslovakia supported their participation with the statute of observers at the Paris summit and that the Czechoslovak point of view has not changed in this regard.

Rychetsky: Central European Cooperation Suitable

LD2306185591 Prague CTK in English 1751 GMT 23 Jun 91

[Text] Vienna June 23 (CTK)—Czechoslovak Deputy Premier Pavel Rychetsky told CTK here today that greater coordination of the foreign policies, relations towards the the European Community and mainly of economic moves of Czecho-Slovakia, Hungary, Poland and also Austria would be suitable.

Rychetsky attended in Vienna a three-day Central European forum which brought together politicians, intellectuals and scholars from Czechoslovakia, Hungary and Poland.

The exchange of views on the implementation of social reforms in their countries ended today.

Slovak Premier Jan Carnogursky told CTK that Czechoslovakia, Hungary and Poland have not yet worked out any blueprint of cooperation which means they have not

yet formulated any common attitude to fourth countries, whether in the West or in the East.

He said that he stressed at the conference that though this cooperation embraces three states, it involves in fact four nations (the fourth being Slovaks ed.), while Slovakia has the central position in this grouping.

Slovakia is greatly interested in the cooperation of the three states because it sees it as a very good opportunity for promoting its identity and for testing its later independent steps within a broader Europe, Carnogursky added.

Environmental Cooperation Accords Signed

LD2206184291 Prague CTK in English 1642 GMT 22 Jun 91

[Text] Prague June 22 (CTK)—A memorandum of understanding on cooperation in environmental protection was signed today by Josef Vavrousek, minister-chairman of the Czechoslovak Envrionmental Committee, and Hans Alders, Dutch minister of housing, planning and the environment.

In the document, signed during the international conference on "Environment for Europe" at Dobris near here, the two countries pledge to cooperate in the protection of the air, water and soil.

Also at Dobris today, Vavrousek signed a joint statement with Germany and Poland committing the three countries to improve their cooperation in the environmental protection of the Central European lignite basin.

Under the statement, the three countries will set up a working group to coordinate their environmental activity.

The statement was signed for Germany by Klaus Toepfer, minister of the environment and reactor safety, and for Poland by Maciej Nowicki, minister of environmental protection, natural resources and forestry.

Prime Minister Calfa Defends Economic Policy

AU2406135291 Prague MLADA FRONTA DNES in Czech 20 Jun 91 p 2

[Statement issued by CSFR Prime Minister Marian Calfa to Zbynek Fiala; in Prague on 19 June: "Silence? On the Contrary!"—first paragraph is MLADA FRONTA DNES introduction]

[Text] Today we are devoting a commentary to the statement issued by the chairmen of the Federal Assembly, Czech National Council, and Slovak National Council Budget Committees, which CTK published on Tuesday [18 June] and which we reported in yesterday's edition of MLADA FRONTA DNES. We also asked Federal Prime Minister Marian Calfa for his opinion.

"I do not think it is possible to come to the conclusion that in Czechoslovakia there are no discussions on reform. On the contrary, I think such discussions are ongoing.

"Reform depends on the economic laws that were adopted by the Federal Assembly following wide-ranging discussions in the committees, clubs, chambers, and—finally—the plenum. However, there are many more opportunities to hold detailed discussions. Deputies have the opportunity to interpellate government members. We submit comprehensive information to the legislature on the state of the economy, on economic policy, on social development, and on the environment. We submitted a report on the state's finances as well as an analysis of the progress of reform during the first quarter. The Memorandum on the Government's Aims in the Economic Sector, drafted for the World Bank, summarizes topical problems. We are submitting a plan for legislative projects which contains all the economic laws and so on. I could also mention the various expert conferences in which government members participate.

"It is impossible to say with a clear conscience that adjustments have not been made to the reform steps.

"We have amended turnover tax, import surcharges, and credits on permanently maintained stocks. Writing off the debts of enterprises that have found themselves in difficulty as a consequence of international circumstances—such as the Gulf War, the collapse of the Soviet market, and so on—is in preparation. A group of Federal Government economic ministers led by Deputy Prime Minister Vaclav Vales will submit a comprehensive set of proposals before the end of the month. The situation is similar in the republican governments where they have now started to valorize their budgets. It will also be necessary to make an adjustment to the federal budget for the second half of the year. Not only expenditure is involved. It is also essential to look at the income sphere, a sphere in which there is a slight complication. Large amounts of money are flowing into the budget—for further redistribution—that should have remained below and had an effect on the entrepreneurial sphere. We have to ascertain whether this complication lies in the enterprises' excessive profits or in an incorrectly fixed level of levies and then take the corresponding measures.

"And if someone disagrees with the coupon method [of privatization]? This was also discussed in connection with the preparations for the law on large-scale privatization. The legislature made its decision."

Langos Defends Personnel Policy, Secret Service

AU2106190891 Bratislava SMENA in Slovak 18 Jun 91 p 3

[Editorial Report] Bratislava SMENA in Slovak on 18 June on page 3, under the headline "Improving the Bad, Refining the Good," carries a 3,000-word interview with

CSFR Interior Minister Jan Langos by Katarina Fornerova. The place and date of the interview are not given.

In the interview, Langos responds to criticism of his running of the ministry; spells out his views on the role of the police; and defends the existence of a secret intelligence service.

Asked to comment on media criticism of the Interior Ministry, Langos says that he welcomes criticism because it helps him realize mistakes. He believes, however, that much of the criticism being leveled at the Ministry of Interior is "subjective" and based on "conjectures."

Commenting on the criticism of his personnel policy, Langos defends his choice of "amateurs" for top ministerial positions. He says that experts who worked at the ministry under the previous regime are "unacceptable" to him because "their thinking and perspective are preconditioned by their previous life". He is convinced that his decision to "hire as many new people as possible" was correct.

Speaking about the replacement of the police staff, Langos says that it will be a "gradual and slow" process. Many of the present members of the police corps will be allowed to work in the "executive departments," however "we cannot count with them for higher supervisory positions," he adds.

Discussing his ideas about the new role of the police, Langos says that the police should not protect itself or play the role of "some sort of a guardian of the dignity of the state," but that it should only intervene to protect property and the lives and health of others.

Asked about his opinion on the recently passed law on the Federal Security and Intelligence Service, Langos concedes that the legislative regulation of the activity of secret services is a problem because, on the one hand, these services are necessary and, on the other, they can be misused because they operate in secrecy. Langos believes, however, that by exactly defining the powers of the service and by subjecting its activity to legislative control the Czechoslovak law makes it "very difficult" to misuse the service. Langos mentions that Czechoslovakia is the first former socialist country to have passed such a law.

Explaining why Czechoslovakia needs such a service, Langos says: "We need to know about the secret aims of organizations that seek to assert their, for the majority of citizens, unacceptable intentions by other than legislative means. We must be informed about the intentions of other countries in international policy and about their non-public intentions in relation to the CSFR. Likewise, we must infiltrate organizations that engage in secret drug trafficking. This is why the state needs an institution, a small but effective one, that would keep the aforementioned undemocratic, violent, and organized criminal aspirations in check." According to Langos, the intelligence service will gather information "mainly from open sources". Bugging and wiretapping will be used only "rarely" and only with prior permit from the prosecutor.

In conclusion, Langos defends the law on screenings that is currently being drafted, including provisions that "will have the character of a public employment ban for certain categories" of former secret police collaborators. He rejects any parallel between this law and the post-1948 political purges.

Meciar Addresses HZDS Constituent Congress

LD2206203491 Prague CTK in English 1805 GMT 22 Jun 91

[Text] Bratislava June 22 (CTK)—Vladimir Meciar said today that the Movement for an Independent Slovakia (HZDS) wants to guarantee the consistent building of the Slovak state and the democratic principles during the process.

Meciar, chairman of the HZDS political leadership, was speaking at the constituent congress of the movement in Banska Bystrica, Central Slovakia.

He said that the Public Against Violence (VPN) Movement, from which the HZDS split last March, fulfilled its role in the period during which the totalitarian regime was toppled in Czechoslovakia (it started with the November 17, 1989, student demonstrations in Prague).

Speaking about social conditions in Slovakia, Meciar said the unemployment growth rate in Slovakia is twice as high as in the Czech lands, and may exceed the tolerable level.

Meciar paid great attention to the constitutional setup of Czechoslovakia. He believes that a confederation or a union are not at variance with the idea of a common state of Czechs and Slovaks.

"We propose that our relations be arranged so as not to run counter the European standard", Meciar said

Meciar was a Slovak premier until April 23 when he was dismissed after a group of VPN deputies, Gal's supporters, initiated in the Slovak Parliament the investigation of his activity as premier.

The HZDS, which split from the VPN officially on April 27, was registered as an independent political subject on May 3.

Leading representatives of the HZDS include former ministers of Meciar's government Mila Knazko, Michal Kovac, Rudolf Filkus and Augustin Marian Huska.

In the latest public opinion polls, the HZDS has drawn a 34-per cent support of the Slovak population.

The HZDS presents itself as a constructive opposition.

HZDS Outlines Views on State Arrangement

AU2406133891 Bratislava NARODNA OBRODA in Slovak 20 Jun 91 p 6

[Unattributed report: "Statehood on the Basis of Sovereignty"]

[Text] The Movement For a Democratic Slovakia [HZDS] has pointed out that the public was given incomplete and partially distorted information on the HZDS' stances and points of view in Kromeriz. "The statements made by Presidential Press Spokesman Zantovsky that the HZDS is unequivocally in favor of a federative arrangement for our joint state do not correspond to reality. The statement made by Czech Prime Minister Pithart, which ascribes an ambiguous stance to our movement, is also not true to the facts. The Movement For a Democratic Slovakia's point of view is clear and unequivocal. It was clearly expressed by Milan Secansky, our representative in Kromeriz."

The HZDS has provided NARODNA OBRODA with the full text of M. Secansky's speech in which he said that the HZDS proceeds from its conviction that mutual coexistence must be based on complete equality, voluntariness, mutual respect, and bilateral prosperity. "We support the point of view that Slovak and Czech statehood should continue to be developed on the basis of sovereignty, on the basis of a legal and democratic union founded on the Document on Fundamental Human Rights and Freedoms, and on the basis of the right to enter into a union with other states and—by a freely taken decision—to withdraw from this union, including the possibility of joining the European integration processes."

In looking for a suitable form for the state, the HZDS rejects "a unitary state form and a state union that is close to this form. We regard the federation in its current form as too centralistic, which does not correspond to the needs of both nations.... As opposed to the scenario for the republic's possible collapse, we are proposing a scenario for real coexistence between both nations in a joint state union. Its principles should be agreed upon in a treaty whose subjects would be both republics...."

At the same time, the HZDS' point of view answers the question on why the HZDS had put off reaching a definitive conclusion on this issue until the end of June. "The reason is simple. Our movement's assembly will be held on 22 June 1991. A wide ranging dialogue and agreement among the assembly's delegates would be the logical conclusion confirming our point of view from Kromeriz."

Conservative Block Established in National Council

AU2406134891 Prague OBCANSKY DENIK in Czech 20 Jun 91 p 2

["(jem)"-signed report: "The Conservative Block"]

[Text] The Conservative Block of Deputies was established in the Czech National Council on Tuesday [18 June] evening. Deputies from almost all deputies' clubs—except the Communist Party of Bohemia and Moravia deputies—participated in the first meeting of this informal association.

According to Deputy Jiri Honajzer (Civic Democratic Party), the objective of this group is to institutionalize rightist policy in the Czech National Council. J. Honajzer said that the participation of representatives from the deputies' clubs of the Civic Democratic Party, the Civic Democratic Alliance, the Christian Democratic Union, and the Liberal Democratic Party was originally expected. However, the majority of the participants in the constituent meeting of the Conservative Block were surprised by the arrival of about ten Civic Movement deputies.

Deputy Ivo Svoboda (Civic Movement) said that he participated in the meeting because he was interested in the establishment of a rightist group that would associate deputies from various deputies' clubs. However, the constituent meeting was inclined to adopt a narrow orientation toward right-wing parties. Deputy Jana Ryslinkova (Civic Movement), who also participated in the meeting, told us that the invitation bore the title: Right-Wing Club. "I wanted to know what the term right-wing means in the Czech National Council. I consider myself right oriented, at least in the same sense as they understand it in Britain."

Slovak Social Democrat Leader on Sovereignty

LD2206162491 Bratislava Ceskoslovensky Rozhlas Radio Network in Slovak 1000 GMT 21 Jun 91

[Text] The recent sharp words of Vaclav Klaus, chairman of the Civic Democratic Party, on the address of the governmental cabinet of the Prime Minister Jan Carnogursky were not, in my view, addressed to the Slovaks but to the Czech chauvinists, with an offer that there is a party which will defend their interests. This was said by Pavel Dostal, deputy chairman of the Club of Deputies of Social Democratic Orientation in the Federal Assembly, at today's news conference of the Social Democratic Party of Slovakia in Bratislava.

Editor Zuzana Stukovska is interviewing Boris Zala, chairman of the Social Democratic Party of Slovakia, on other topics discussed at this briefing:

[begin recording] [Stukovska] You said at today's news conference that you do not identify with the declaration on the state sovereignty of Slovakia. You have mentioned the idea of expansive sovereignty. So where is the basic difference between your line and the declaration I have just mentioned?

[Zala] I must say that we do not agree with the declaration, in particular in the point which [passage indistinct]. We are convinced that it is necessary to work out certain legal mechanisms and guarantees to make it possible for

us to maintain our soveriegnty in entering supranational institutions. This means that by entering the institutions of European integration and also by entering our own federation, we want to extend our sovereignty rather than to narrow it. We think that our standpoint is more up to date, because it does not lead to the isolation of Slovakia but to the expansion of the participation of Slovakia in the creation of a modern Europe.

[Stukovska] At today's news conference deputies from the Club of Social Democratic Orientation in the Federal Assembly also took part. Does it mean that your cooperation with that Club is so intense that we may actually speak about an indirect entry of the Social Democratic Party of Slovakia into the Federal legislature?

[Zala] I think that we can. Our talks were mainly about economic, social, cultural, and ecological issues. We are convinced that in these areas our views are almost identical. The Deputies' Club also expressed its viewpoint and said that it could represent our interests in the Federal Assembly. We are also discussing the problems of the state legislative setup, and it seems that certain rapproachement could take place. We have already proposed in the past that relations between the Czech and Slovak Republics are based on an agreement on the drafting of the Federal Constitution. This agreement could also be given the force of law by a referendum. It is quite possible that such a procedure would be acceptable for the Czech side too. The talks in the Kromeriz which are approaching this solution show this too.

[Stukovska] A few days ago you were a guest of Chancellor Vranitsky. I believe that today there is no time or money for a visit for polite purposes only. What do you see as the most important point of this meeting?

[Zala] I took part in the Congress of the Social Democratic Party of Austria, which was chaired by Franz Vranitzky, who is also the prime minister of Austria. We had two talks which were about the situation in Czechoslovakia, and in Slovakia in particular. We spoke about the attitude of the Austrian Government to a possible alternative setup of a federation in Czechoslovakia. The Austrian side is very realistic about this. It means that it does not support the split either of the Yugoslav Federation or in Czechoslovakia, but it is approachable and has an understanding for the new forms of relations between the republics in both Czechoslovakia and Yugoslavia. [end recording]

Missik: Slovak DS 'Fully Supports' Federation

LD2506023691 Prague CTK in English 2003 GMT 24 Jun 91

[Text] Bratislava June 24 (CTK)—The executive deputy chairman of the Democratic Party (DS) in Slovakia, Peter Missik, told journalists today that he was surprised by the Saturday statement by the Movement for a Democratic Slovakia (HZDS) that Czechoslovakia should become a confederation.

He stressed that the DS fully supports federation as the appropriate constitutional setup for Czechoslovakia, and believes the necessary powers should be devolved by the constituent republics on the federation.

Missik said that the DS, a member of the Slovak Government coalition, does not rule out cooperation with any party but it would have to know that party's stand on economic reforms and on the country's future constitutional setup.

VPN Election Termed 'Chance for Slovakia'

LD2206184891 Prague CTK in English 1731 GMT 22 Jun 91

[Text] Bratislava June 22 (CTK)—The Public Against Violence Movement (VPN), the strongest political force in Slovakia after the June 1990 parliamentary elections, remains the guarantor of the election programme "Chance for Slovakia", a VPN conference stressed today.

Held at Liptovsky Mikulas, Central Slovakia, the conference dealt with the future profile of the movement which is to be transformed into a political party at its congress next September.

It was noted at the conference that the VPN has gone through a period of internal crystallisation of views and of disputes.

The present-day VPN is no longer the united movement which won, together with its sister movement in the Czech lands, the Civic Forum (OF), the parliamentary elections.

The VPN won 52 seats in the Federal Parliament and 48 seats in the Slovak Regional Parliament.

Both movements were spontaneously created in the wake of the November 17, 1989 revolution which toppled the communist regime. They embraced a broad range of political views, ranging from right to left. The OF split last February into what is now the Civic Democratic Party and the Civic Movement.

At the VPN Congress on April 27, the movement was divided into two independent political factions - the VPN and the Movement for a Democratic Slovakia (HZDS).

One of the main causes of the split were differences in attitudes to economic reform between the followers of the ex-Slovak premier Vladimir Meciar and those of the then VPN chairman Fedor Gal. Meciar is pushing for Slovakia's specificities to be taken into consideration in the implementation of the reform.

An open rift came on March 3 when Meciar accused the then VPN leadership of censoring his regular tv speech. On March 6, a new faction, the VPN-for Democratic Slovakia, was created around Meciar.

The VPN is now chaired by Jozef Kucerak who replaced Fedor Gal on May 7.

President Goncz on Independence, USSR

AU2406134291 Budapest MAGYAR NEMZET in Hungarian 22 Jun 91 p 6

[Interview with President Arpad Goncz by Istvan Wintermantel; place and date not given: "We Must Beware of Unrealistic Hopes"]

[Text] [Wintermantel] To what extent does the withdrawal of the last Soviet troops mark a symbolic day for Hungary's regained independence? To what extent is the completion of the Soviet troop withdrawal a part of an ongoing process?

[Goncz] I am convinced that this date has a symbolic significance. It does not mark the end of 40 years, but the end of a much, much longer period of time when Hungary was deprived of its independence. So, we should not be celebrating "the departure of the Russians" at the moment, but the regaining of our historical independence and sovereignty. I do not have to tell you that it was historical circumstances that made this development possible—and by referring to historical circumstances, I am letting you know that I consider this regained sovereignty to be part of a process. I do not see it as linked to a single event. I am not even talking about the fact that the presence of Soviet troops no longer had any significant influence on Hungary's domestic policy over the last two or three years; I am talking much more about the fact that the internal preconditions for independence had to mature in our country. We had to grow up and be ready for this point in time when we are no longer members of a military alliance, a time when we no longer have to flatter military allies and superpowers, a time when we no longer have to comply with external forces. Naturally, this cannot be put into absolute terms; indeed, it is very difficult to outline the significance of sovereignty. A country might voluntarily renounce part of its sovereignty within the framework of regional cooperation. National parliaments and economies have to comply with one another in a united Europe. A country has a right to and a means of renouncing part of its sovereignty in the interest of the nation. At the moment, Europe is showing a tendency perhaps to renounce certain things through various independent decisions in order to harmonize our decisions in a community of nations. This will also enable us to coordinate our decisions with the interests of other nations—of course, one way or another, these interests also serve our purposes. When I talk about the process of regaining our independence, I automatically imply that this process has not come to an end on a single symbolic day. History and time go on, and the factors that determine our future are unpredictable. Every day, we have to solve a number of equations with unknown variables in the sphere of politics or economics. Naturally, being in a phase of fundamental transition, we cannot speak about the "conclusion" of a period. I would also add that we have to learn how to use the concept of "sovereignty," and that is a difficult task in itself. We have to become familiar with the use of sovereignty, because it is a multifaceted concept: There can be economic, political, military, moral, and cultural sovereignty, and these are all accompanied by economic and military cooperation (to name but two). Consequently, the significance of sovereignty can change daily: If we digest the political meaning of sovereignty, I do not think that we can move too far away from it. The voluntary limitation of sovereignty cannot go as far as surrender, but limitations for the sake of a community can be almost compulsory at times.

[Wintermantel] Can Hungarian independence be seen as an issue purely related to Hungarian-Soviet relations today?

[Goncz] Not at all. What I have just stated proves this point. For example, we can only be independent once we have recognized our own interests, once we realize that all our decisions have far greater consequences today than they did in the past when our decisions were dictated to us. I have already stated once that I see this as the opening of a bird cage: It is now up to us to decide how we are going to use our regained freedom—will we fly high, will we fly a long way, or will we perch on the first branch? It is by no means certain that we are facing an easier period because of our regained independence—we may well be facing a more difficult period, but at least we will only be able to blame ourselves for our own mistakes in the future. Furthermore, we will only have ourselves to blame if we fail to blend harmoniously in international cooperation. So the question is rather complicated: It can only be judged and assessed with time and in the context of history and international relations.

[Wintermantel] Should we not protect society from certain illusions and unrealistic notions in connection with our independence?

[Goncz] Yes, we should beware of such notions. For example, in Europe's current phase of development, we have to renounce the notion of neutrality that is so dear to us. Neutrality can only exist in a bipolar Europe; by its very nature, neutrality implies a third way chosen between two poles. If Europe is united and we become members of the community, then the term neutrality loses its significance. Sovereignty definitely implies economic sovereignty as well. In this area, we are not faced with the problem of some nation trying to subjugate us or trying to integrate us into an economic order that we do not want (a nation assisting us in our privatization or supporting us with capital, for example). This problem does not exist for us because we are trying to place the Hungarian economy on more than one pillar, making use of West European capital and assistance (particularly from Germany, the United States, and the Pacific, of course). However, we do have to be careful with our privatization process: For example, if we privatize the manufacturing phase of a final product in a given industrial branch, then we must not let consumers exclude this whole domestic industrial branch from competition through a single selfish move.

[Wintermantel] What are the most important requirements for correct and friendly relations between Hungary and the Soviet Union in the future?

[Goncz] I think that all the conditions exist for correct and friendly relations between (I would not even say the Soviet Union and Hungary, but rather) the Soviet regions and Hungary in the future. Our economy and the Soviet economy complement one another in many ways, even if our links with the Soviet economy were proportionally exaggerated in the past. Our great dependency on raw material and energy supplies was a result of these exaggeratedly close links. However, that does not mean that our two economies—or, to be more precise, the Hungarian economy and the Soviet Union's various economies—will not need each other in the future. By conducting normal international economic and political relations, we stand every chance of establishing relations that are more than correct. Naturally, this also means that we have to use all the means at our disposal to help the Soviet Union in its integration into European unity; indeed, I do not think that Europe would be complete without the participation of the Soviet region. So it is in our own interest to make sure that the Soviet Union is not excluded. This does not only apply to the Soviet Union, but also to the other former socialist countries of Europe that are in a worse situation than Hungary. In any case, it is in our interest to make sure that our immediate neighbors reach the levels that we are striving for. This is in our economic and political interest because membership in the EC also implies a certain mode of conduct. For example, we could renounce part of our sovereignty in order to accept certain laws that would serve as guarantees for ethnic minority rights.

I would also like to point out that if Hungary is sovereign, then it is not a victim of European developments, but a creating force in these developments. It is Hungary's right to initiate developments, not just participate in them. This is particularly applicable to our relations with the Soviet Union and the federated Republics of the Soviet Union.

Bank Official Comments on Gold Reserves

LD2206144791 Budapest Kossuth Radio Network in Hungarian 1000 GMT 21 Jun 91

[Excerpts] During the past months you could hear a lot about the solvent financial position of Hungary, that our currency reserves had even increased. This is important because the international financial institutions tie the loans for us to the reserves of the HNB [Hungarian National Bank]. In one of the morning television programs, HNB Deputy President Frigyes Harshegyi did not deny that during the past period we had sold gold reserves to repay our debts. Andras Fabi asked about what had been heard in the morning.

[Begin recording] [Harshegyi] We have gold reserves of approximately $100 million. We are keeping that much of our currency reserves in gold— I could phrase it this way as well since this is a matter of a business decision, how much non-interest-bearing gold and how much interest-bearing dollars you keep.

[Fabi] In the morning program, you did not deny that we spent 80 percent of the gold reserves on reducing foreign debts.

[Harshegyi] Naturally I did not, since this is what happened last year. We had to reduce substantially our currency reserves. [passage omitted] The repayment of debts takes place either from new loans or from currency reserves. This is basically why our currency reserves had been reduced. So we sold gold, and used other parts of the currency reserves as well.

[Fabi] What are our chances of increasing our gold reserves again?

[Harshegyi] This is a matter of a business decision, how much of the 1.7 billion reserves—100 million, 200 million, 300 million, or 400 million—are kept in gold. [end recording]

Hard Currency Income From Tourism Up

LD2406201291 Budapest MTI in English 0941 GMT 24 Jun 91

[Text] Budapest, June 24, 1991 (MTI-ECONEWS)—By the end of April, 1991, Hungary's hard-currency income from tourism was 25 per cent up on the corresponding figure for the same period of last year, and this despite the fact that the number of foreigners coming to Hungary saw a 10-per-cent drop.

National Bank of Hungary (NBH) officials told ECONEWS that the decrease in the number of tourists was due to a fall in the number of visitors coming from Eastern Europe.

Over the four-month period, tourism brought Hungary in 262.9 million USD, significantly up on the 209.4 million USD achieved in the same period of 1990. Hard-currency tourism spendings worked out at 178.8 million USD this year, 12 per cent up.

Altogether, the first four months meant a 84.1-million-USD surplus in the tourism balance for Hungary, an increase on the 50.3 million USD of the January-April period last year.

Though the NBH has not been quoting a single East European currency since June 1—on January 1, it ceased trading in any of the currencies of the region, except for the Czechoslovakian crown—it is, for the moment, registering tourism incomes and spendings with the region separately in roubles.

Rouble incomes reached 48.4 million RBLS by the end of April this year, a 21-per-cent fall. Spendings were 72.3 million RBLS, a 31- per-cent drop as compared to the same period of last year. Hungary's rouble-accounted tourism balance showed a deficit of 23.9 million RBLS

at the end of April, less than the 44-million-RBL deficit in the same period last year.

Antall Interviewed on London G-7 Meeting

LD2506004291 Budapest MTI in English 1746 GMT 24 Jun 91

[Text] Budapest, June 24 (MTI)—Should an invitation arrive from the organizers of the London summit of the seven most industrialized countries, I would willingly travel to the British capital, along with Lech Walesa and Vaclav Havel, to hold talks on Western support for the east-central European region, Hungarian Prime Minister Jozsef Antall said in an interview with MTI's correspondent on Monday.

Antall said that German Chancellor Helmut Kohl had assured him in their Monday morning telephone conversation that support for Hungary and the other countries in the region would definitely be on the agenda of the G-7 talks.

'I agree with Brzezinski's proposal for delegates from the three east-central European states to be invited,' Antall said. 'It is of utmost importance that, beside the support for the Soviet Union, the issue of support for the whole east-central European region figure on the agenda of the London summit.'

Antall called attention to the fact that the invitation for Soviet President Mikhail Gorbachev had, in itself, aroused a debate, therefore, it was not at all sure that the three countries in Brzezinski's proposal would have the opportunity to be represented at the summit on a presidential and prime ministerial level. All three countries, Antall said, were seeing to the preliminaries of presenting the G-7 with their proposals for the ways and means of possible Western support, and they were ready to take part in the summit if they received an opportunity.

Antall and Kohl agreed that Antall would make a short private visit to Germany before the summit.

'On the basis of our telephone conversation with German Chancellor Helmut Kohl and on the basis of other factors, too, I think it is already clear to all the summit's participants that it would be unseemly to back the Soviet Union in a way that would be detrimental to those countries that have achieved a certain amount of progress in their drive towards democratic transformation,' Antall said.

'The new democratic states of the east-central European region fully agree with the West supporting the Soviet Union because they hope that Western aid will help the Soviet Union pay its debts and fulfil its contractual obligations. At the same time, it would be possible for the Soviet Union to go on purchasing goods from economies, the structures of which have been established and conserved according to the Soviet Union's needs,' Antall said.

On the financial talks related to the Soviet troop pull-outs, Antall said, 'with Soviet minister of foreign economic relations Konstantin Katushev we have agreed that talks will be conducted on two levels. The task of the experts (Viktor Shilov, former commander of the Soviet Southern Army Group and Antal Annus, Hungarian state secretary of defence) is to assess the value of facilities built by the Soviets in Hungary and damages caused during their 46-year stay. Ministerial talks will be continued afterwards. 'In order to conclude a financial agreement, exact data are needed. We want to base these on objective measurements.

'An anti-Soviet attitude in the talks is out of the question. We attach great importance to our presence on the Soviet market and are making efforts to establish good ties with the republics.

'The Soviet position (the Soviets only admit to the damages caused during the course of the withdrawals.—the editor) is all the more surprising as there was no legal basis for the Soviets staying in Hungary from the signing of the Austrian state agreement in 1955 up until the conclusion of the Hungarian-Soviet inter-governmental agreement in 1957,' Antall said.

Antall said he hoped that the sides can come to an agreement concerning financial issues. If they fail to do so, the Hungarian side is ready to accept an international organization as a 'judge'.

Controller Strike Almost Caused Militarization

LD2406111691 Warsaw Radio Warszawa Network in Polish 0430 GMT 24 Jun 91

[Text] ZYCIE Warszawy, reporting a conversation with Andrzej Drzycimski, notes that in the past two months the president has lost over 20 points on the popularity scale.

The president's press spokesman replied: The president often consciously takes up unpopular issues, and takes the odium upon himself because he thinks that it is his duty to take up such issues so that they will help to show the necessary direction for change, even if they are unpopular. During the air controllers' strike the signing of the decision to militarize was, at a certain juncture, literally just seconds away. Someone was already waiting behind the door with the text of the decree ready to be signed. And if it were not for the fact that eventually it was possible to find other solution, the president would have made this decision. In moments of crisis President Lech Walesa does not hide, he takes the responsibility on himself.

Industrial Strikes Continue Across Country

LD2506024791 Warsaw PAP in English 2120 GMT 24 Jun 91

[Text] Warsaw, June 24—A number of industrial strikes are beginning or continuing across Poland with the main demands being to reject mass dismissals policy, grant special status to various industrial branches, and even to reshuffle one of the ministries.

Members of the miners and power industry workers' trade unions who have been on strike a week today are fighting to get the status of a public utility organization and better solutions for their retired and disability pensioners. Coal mines "Thorez," "Walbrzych," and "Victoria" want to be better and regularly paid.

Seamen's Solidarity branch in Szczecin, north-western Poland, demands personal changes in the Ministry of Transport and Maritime Economy and in some enterprises involved in shipping and fisheries because, they say, they have evidence showing that national property was being stolen there.

The radio producer "Fonika" in Lodz entered the 12th day of a sit-in strike Monday and the protesters decided to continue because they had asked for money earned in May and received no reply, a factory Solidariy leader Waldemar Krenc said and declared readiness to start talking with the government any minute.

Metal workers of the "Mesko" plant in Skarzysko-Kamienna in southern Poland reached a compromise over mass dismissals after a 7-hour strike but they have other unsolved postulates still to be attended.

The Solidarity branch in Silesia will suspend strike alert in the whole province on Tuesday for the time of talks with the government.

Party Leaders Interpret Walesa Statement on Sejm

LD2506025991 Warsaw PAP in English 2115 GMT 24 Jun 91

[Text] Warsaw, June 24—President Lech Walesa's statements on the possibility of dissolving parliament made at a rally in the northern Polish port of Gdansk last Sunday gave rise to different comments by party leaders here on Monday.

Following the president-Sejm (lower house) controversy over the electoral bill, Walesa asked the participants in the rally whether he should dissolve the parliament, and received an overwhelming support.

Leader of the Christian-Democratic Party of Labour Wladyslaw Sila-Nowicki observed afterwards that the rally showed that the president was looking for support not among politicians but among people not engaged in politics. If the president resorts himself again to veto, one may expect that in the atmosphere of sharp struggle the Sejm will reject the presidential veto again, Sila-Nowicki speculated.

Leader of the socio-liberal group in the Democratic Union Zofia Kuratowska (who is also Senate deputy speaker) commented by saying: "I am surprised and outraged that a democratically elected president of a modern state resorts to methods originating in totalitarian systems in order to have his way in parliament. I think that it is a very serious threat not only to democracy in our country but also to society as a whole and the state system we want to build," she added.

Leader of the Confederation of Independent Poland (KPN) Leszek Moczulski expressed his anxiety over the political conflict going on in Poland, while deputy leader of the "X" Party Jozsef Ciurus said: "The statement and the place where it was made may suggest that the president wants to use enthusiasm stirred by his presence in the crowd for actions incompatible with the Constitution."

Leader of the Democratic Party (SD) Aleksander Mackiewicz noted that while building his authority Walesa always needed someone to attack: Once it was Tadeusz Mazowiecki, former prime minister, now it is parliament. "The model of political life in Poland is at stake, whether it should be a parliamentary democracy or presidential autocracy. The Democratic Party is as always for democracy and its foundation, the parliamentary system," he concluded.

Boguslaw Jeznach, deputy chairman of the National Party predicted that situation in Poland may make many people want someone to rule with an iron rod. But Poland is tired of Walesa as well. So if the president

provokes a storm, he may soon fall victim to it, too, he added. It is a situation when a third force is needed, Jeznach concluded.

Center Accord Supports Walesa, Sejm Dissolution

LD2506101691 Warsaw Radio Warszawa Network in Polish 1700 GMT 24 Jun 91

[Text] Members of the Center Accord executive bodies and chairmen of alliance voivodship boards expressed at meeting today in Warsaw resolute support for actions by Lech Walesa concerning the Sejm electoral law. They said in a published statement that the rejection of amendments—approved by the president and the senate, the bodies expressing the sovereignty of the nation, by the post-communist part of the Sejm and the deputies of the Democratic Union—threatened total fragmentation of deputies in the future Sejm and ineffective work by this chamber. Participants in today's meeting appealed to the president not to sign the law in its present form and to consider legislative initative on the issue. According to them, the present Sejm is acting against the nation.

Political Parties Press Walesa On Election Bill

LD2506024491 Warsaw PAP in English 2124 GMT 24 Jun 91

[Text] Warsaw, June 24—The supreme and provincial leadership of the Centre Alliance (PC) party called on President Lech Walesa Monday not to sign the election bill passed by the Sejm (lower house) last week, and to dissolve the parliament.

"We are of the opinion that the Sejm, totally discredited and constantly coming out against the nation, should be dissolved. This would open the road to Polish democracy," reads a statement issued by the PC.

Leaders of the Social-Democratic Party of the Republic of Poland (SDRP) on their part protested against "the announced violation of the constitution". In a statement issued Monday the party leadership called on President Walesa not to succumb to pressure, sign the electoral bill without delay and hold parliamentary elections as scheduled.

The regional council of the Social-Democratic Union of the Wielkopolska western region received the adoption of the electoral bill by the Sejm with relief but regretted that the president himself joined the campaign of attacks on the bill. The campaign, carried out by some political groupings and members of the president's office was provoked by the fact that the bill reduced the possibility of introducing to the parliament those politicians who lost social confidence, the council claimed.

The Polish Peasant Party (PSL) expressed its deep concern over the statement made by the president at the rally at St. Brigida's Church in Gdansk last Sunday. The style and contents of the statement hit out not only at parliament but also at the authority of the head of state, the PSL stated.

Presidium Warns Against Radical Political Moves

LD2206210191 Warsaw PAP in English 1508 GMT 22 Jun 91

[Text] Warsaw, June 22—The Presidium of the Democratic Union handed over to PAP on Saturday a statement in which it referred to the conflict between the president and the Sejm (lower house) concerning the election law.

The statement stressed that representatives of the presidential office "made irresponsible hypotheses according to which there was a possibility of the dissolution of the Parliament which was incompatible with the constitution."

The Presidium of the Democratic Union warned against "all radical political solutions as they could result in a threat to the state order and citizens' sense of security."

The campaigning period of the forthcoming four months has been defined. It includes the end of the term of office of the Parliament and free elections. These are the political solutions which Poland needs, the statement read.

Skubiszewski Comments on Meeting Bessmertnykh

LD2106190191 Warsaw Radio Warszawa Network in Polish 1700 GMT 21 Jun 91

[Interview with Foreign Minister Krzysztof Skubiszewski by Krystyna Koziol at Warsaw Okecie Airport on 21 June—recorded]

[Text] Minister Krzysztof Skubiszewski returned from Berlin today where he had been taking part in the two-day deliberations of the Council of Foreign Ministers of CSCE members states. Our correspondent Krystyna Koziol was at Warsaw's Okecie Airport.

[Koziol] Minister, what is the significance for European security of the creation of a mechanism in Berlin to deal with a crisis in Europe?

[Skubiszewski] It makes the CSCE into an organism which can examine and possibly resolve crisis situations. The procedure is important here, namely, convening a sitting and beginning a discussion on a given substantial issue does not require the agreement of all.

[Koziol] You talked to Soviet Foreign Minister Aleksandr Bessmertnykh. What is the result of those talks?

[Skubiszewski] I initiated the talk, indicating the chief problems in our bilateral relations, and concluding the talks on the withdrawal of Soviet troops from Poland—that it is a question of a date. There is a certain

rapprochement of positions. We are achieving that rapprochement very slowly, but systematically. The second issue: Certain wordings in the security clauses in our large treaty with the USSR on goodneighborliness and friendly cooperation. As regards the wider treaty with the USSR on neighborliness and cooperation, the talks are developing well, and if it continues like that we should soon have an initial joint draft—with certain points to be resolved. Minister Bessmertnykh assured me that the Soviet Union is in no way striving to restore its former position in Europe of 2 years ago, and that its striving for certain more detailed decisions, from which certain obligations on both sides would emerge in the sphere of security, is caused partly by the internal situation. We have to look for solutions to satisfy both sides.

[Koziol] Did you talk to Bessmertnykh about President Walesa's visit to Moscow?

[Skubiszewski] Yes. We were absolutely agreed—this is also the Soviet position—that this is a visit which has to be very well prepared, because it has to be a success. We did not talk about a date. For the time being, Minister Bessmertnykh is coming to Warsaw.

Environmental Damage by Soviet Forces Assessed

AU2406163991 Warsaw ZYCIE WARSZAWY in Polish 19 Jun 91 pp 1, 2

["E.O"-signed report: "Damage to the Environment: 53 Trillion Zlotys"]

[Text] The Ministry of Environmental Protection, Natural Resources, and Forestry has estimated the environmental losses caused by the stationing of units of the Soviet Army in Poland at over 53 trillion zlotys [Z].

The losses sustained by State Forests have been estimated at Z27.785 trillion (the calculations took account of nonpayment for the use of sites, damage to trees, as well as the losses resulting from the inability to use sites for commercial forestry purposes).

The pollution caused to soil and subsoil waters by petrochemical products has been estimated at Z25 trillion. Nonpayment for the use of sites and penalties for polluting such sites have been put at Z327 billion.

The Soviet forces stationed in Poland occupy 35 bases in 15 voivodships and use a total of 70,000 hectares of land. Last year the State Environmental Protection Inspectorate conducted inspections at nine bases.

The inspectors established that the Soviet forces use of environmental resources was completely illegal. None of the units possessed permits for drawing water and sewage disposal, and no binding decisions had been issued setting levels on the emission of waste gases or designating sites for the storage of waste materials. Besides, they did not submit applications for such decisions and were thus able to avoid paying fines for damaging the environment.

Payments and fines were first levied in 1989 (the sums are large, as, for example, the unit in Brzeg should have been paying Z150,000 per 24-hour period for discharging sewage since November), but so far it has not been possible to enforce payment. The Soviet side has declined to pay on the grounds that the 1956 law on the legal status of Soviet forces temporarily stationed in Poland contains no provisions on payment for the use of environmental resources or for damage to the environment.

Some of the worst damage caused by the presence of Soviet forces on the territory of our country is due to the pollution of water and soil with petrochemical substances. One of the worst incidents, which was on the scale of an ecological disaster, occurred in Stara Kopernai in 1988, where 10 hectares of land and underground water were polluted. The cost of the damage has not been estimated to date.

In Swinoujscie it was found that petrochemical substances had been dumped in a pit, and on three occasions (the most recent one being in last year) port waters were polluted.

Inspections conducted by the State Environmental Protection Inspectorate were to be continued and the results, along with those of previous inspections, were to provide a basis for assessing the damage caused to the environment by the presence of the forces. However, since 14 March, the Soviet side has not made it possible for environmental protection services to carry out further inspections, despite numerous negotiations and the fulfillment of all the other conditions set by the Northern Group of Forces command. That is why the figures given by the Ministry of Environmental Protection are estimates.

The legal issues raised by the question of compensation for environmental damage are the subject of negotiations with the Soviet side. It is to be settled by Article 17 of the "protocol between the government of Poland and the government of the Soviet Union on the settlement of legal, property, and financial issues connected with the withdrawal of Soviet forces temporarily stationed in Poland. However, the provision relating to compensation proposed by the Polish side has been rejected by the Soviet side thus far.

US Ports Opening to Polish Shipping

PM2406102691 Szczecin GLOS SZCZECINSKI in Polish 12 Jun 91 p 3

[Jerzy Drzemczewski article: "Ports Open Up: End to 'Cold War' in Polish-American Shipping"]

[Text] President George Bush recently announced the opening of all U.S. ports to merchant, passenger, and fishing ships from Poland, Albania, Bulgaria, the Czech and Slovak Federative Republic, Romania, and Hungary. This partly met the proposal to eliminate the

discriminatory practices directed by American authorities against our shipping and against Polish seamen—a proposal often voiced by our diplomats and expressed personally by President Lech Walesa during his latest U.S. visit.

In practical terms, the decision means that Polish ships, along with those of four other countries—former Warsaw Pact members—will be able to call at 12 additional port complexes which have been closed to them until now. These are: Charleston; Hampton Roads and Norfolk; Honolulu; King's Bay; New London and Groton; Panama City; Pensacola; Port Canaveral and Port St. Joe (the last four in Florida); Portsmouth; Port Hueneme; and San Diego.

It is worth mentioning here that all the above ports are still unconditionally closed to Soviet shipping. In addition, all U.S. ports are still closed to all vessels from Iran, Iraq, Cambodia, Cuba, North Korea, Libya, Syria, and Vietnam.

We asked Jerzy Cetnerowski, head of the Polish Ocean Lines [PLO] North American Department in Gdynia, to comment on President Bush's decision and to assess its expected influence on the situation of our North American service:

Over long years the U.S. Government applied three kinds of basic restrictions in respect of Polish shipping. These were as follows:

—Four days before a Polish ship's planned docking in a U.S. port, it was obliged to notify the U.S. Coast Guard of the exact time it was scheduled to arrive in the said port and to obtain permission to dock;

—Twelve American ports, including such ports of major importance from the viewpoint of maritime trade as Charleston and Norfolk, were closed to ships sailing under the Polish flag;

—Our status in the United States is that of a state shipowning company, and consequently all Polish freight rates have to be registered separately with the Federal Maritime Commission at least 30 days before the cargo is shipped.

The first of these restriction was also the first to be lifted. Contrary to appearances, it caused us rather of lot of bother. The frequent delays in our schedules due to the climatic conditions prevailing on the North Atlantic shipping routes, resulted in quite considerable complications.

The second of the above restrictions, which was lifted 8 May this year, became quite routine for us over the past years. We simply never considered the relevant 12 ports in our docking schedules for the two American shipping services that we operate in the area of the United States' and Canada's East Coast and the Gulf of Mexico, though some of them would have been of considerable interest to us, had we been able to use them at the time. I am thinking here of such port complexes as, for example, Norfolk—a major transshipping port for cargoes carried with the roll on-roll off system and a base for the Caterpillar company—one of the largest cargo-handling companies servicing Europe-bound shipping lines, which operates its own railroad lines connected directly with the harbor quays.

Of course, shipping lines cannot alter their schedules from one day to the next because new ports have been opened to them. Apart from the need to protect our clients' interests, our scope for maneuver is considerably restricted by long-term contracts with the ports that we have been using to date. We have such contracts with such ports as, for example, Baltimore and Savannah.

On the other hand, a tangible advantage of the Polish shipping lines' having gained access to all U.S. ports is the now greatly expanded room for maneuver in all our negotiations with other shipping lines that are our partners on North Atlantic routes and with which we are conducting talks on rationalizing our services, our respective docking ports, the size and structure of the cargoes handled by our ships, and so on.

Unfortunately for us, the most troublesome restriction of all—that is, our being regarded as a state shipping company and treated accordingly—has not been lifted. There are, in fact, no reasons for lifting it, because we are indeed still a state company, and I personally doubt whether the Americans will change their mind when the PLO is privatized and becomes a single-person state treasury venture. In any case, the very powerful shipping lobby active along this route would certainly protest vigorously against such a concession and rule it out straight away. The present situation means that we cannot be as competitive and flexible in freight rates negotiations as the other shipping lines operating on the same routes, of which the Federal Maritime Commission requires the registration of the freight rates only one day before they bring their cargoes to U.S. ports. Consequently, they have 29 days more than we are allowed for negotiations with customers.

The PLO directors are only too well aware that the best way for us to prompt the lifting of the last remaining restriction is to alter our status as a state-owned company. Consequently, they recently set up the Polish Ocean Lines (Cyprus), a joint venture company which is to take over the ownership of four Tadeusz Kosciuszko-type con-ro container carriers, and they are currently establishing an independent PLO-North American Department, designed to operate on an in-house economic accounting system. I trust that these steps will lead in the desired direction and contribute to the lifting of the last restriction.

Geremek Comments on Elections, Walesa, Europe

AU2406084291 Vienna DER STANDARD in German 24 Jun 91 p 2

[Interview with Bronislaw Geremek, deputy in the Polish parliament and head of the committee to work

out a new constitution, by an unnamed journalist, in Vienna "at the weekend": "Walesa's Principle: Divide and Rule"]

[Text] [DER STANDARD] According to the latest polls, more than half of your compatriots are very desperate.

[Geremek] These polls reflect disillusionment. They are a very important and significant political sign.

[DER STANDARD] Solidarity is attacking the economic reforms of new Prime Minister Ian Krzysztof Bielecki and of Finance Minister Leszek Balcerovicz. Which are the points that are criticized?

[Geremek] Poland has become a democratic country, at least regarding the increasingly complicated nature of the political scene. This means, there is no answer to this question. Solidarity is no longer a moment, is no longer a trade union, does not have a parliamentary representation anymore, it is most profoundly split. The current government is a support neither for Parliament nor for political life.

[DER STANDARD] President Lech Walesa has threatened to use the military if there is a general strike.

[Geremek] Using force is a bad idea in any case. Walesa wanted to make his compatriots aware of the seriousness of the situation. Poland cannot afford strikes.

[DER STANDARD] Walesa has also demanded special powers, and the government has agreed.

[Geremek] Walesa demanded the special powers first of all for the government. Paradoxically, parliament would agree to grant these special powers to the government; it would be glad to be rid of some responsibility.

[DER STANDARD] Will the parliamentary elections be held in October?

[Geremek] Yes, on 20 or 27 October. Walesa has vetoed the election law, but this is not a tragic thing. There is a small conflict between the president and parliament, which some people try to give a political dimension because elections are nearing. In the economic field nothing can be done, so an attempt is made to turn the economic-social conflict into a political one. In addition, Walesa tends to use his authority to split groups, following the principle of divide and rule.

[DER STANDARD] Poland had the first noncommunist government in Eastern Europe. Why is it the last country to hold free elections?

[Geremek] One forgets that the parliamentary elections will be the third democratic elections. There were local elections and the presidential elections.

As regards the formation of a democratic culture: All Eastern European countries are learning. Democracy can be learned only in a democracy.

[DER STANDARD] Which topics will dominate the election campaign?

[Geremek] The most difficult one is the economic program, because this concerns us all. Abortion is in danger of becoming a first-rank political criterion and pushing the church toward direct interference in the election campaign. It would be best if church and president remained neutral in the election campaign.

[DER STANDARD] What is your vision of the future Europe like?

[Geremek] There are two factors of uncertainty: the development in the Soviet Union and the integration of eastern central Europe in the European structures. The stability of all of Europe depends on the situation in Yugoslavia. Europe's best response would be to permit all postcommunist countries access to all European institutions; this also was the line at the CSCE conference in Berlin.

[DER STANDARD] Integration also in NATO?

[Geremek] Why not in the Atlantic Alliance, but not in military terms, precisely because the development of the Soviet Union is so uncertain. It still is a nuclear superpower and it is not advisable to give it the feeling of being surrounded by enemies; this would block democratization in that country.

Deputy Geremek on Evolution of Democratic Union

PM2506081091 Wroclaw SLOWO POLSKIE in Polish 15-16 Jun 91 p 3

[Interview with Professor Bronislaw Geremek, parliamentary deputy and chairman of the Democratic Union parliamentary caucus, by Waldemar Chudziak; place and date not given]

[Text] [Chudziak] Speaking as a guest of a discussion meeting organized by the Citizens' Movement for Democratic Action [ROAD] group, sociologist Jacek Tarkowski claimed that Sejm deputies and senators tend to represent in parliament individual value systems, grand historical arguments, and their own, personal ambitions rather than the interests of their constituents. He also said that the one possible exception to this rule was the group of peasant deputies. Would you endorse this view?

[Geremek] It is a typical sociological analysis, which is perfectly fair when you interpret it correctly. We are at present in the classic situation of a young democratic system which has not yet formed distinct forces representing different interests. We do not yet have a developed multiparty system. This is why many deputies and senators of the Solidarity camp have frequently trotted out the argument that each of them was answerable to his or her own conscience. Of course, this sounds very noble, but it is a falsification of reality, because it is each and

every deputy's responsibility not to forget about his or her constituents' interests. There is much truth in the view presented by Mr. Tarkowski, which I see as a coolly objective scholarly analysis rather than an exercise in political polemics. However, I believe that over the past two years an atmosphere of fretful demands for constant accountability developed between our parliamentarians and the electorate. Parliamentary deputies and senators are constantly required to justify all their moves, and their work is vetted by the constituents practically every week. This created a situation where parliamentary deputies—I am referring here first and foremost to Solidarity deputies, but I believe it involves a much larger group of deputies as well as senators—were more often inclined to represent narrow local interests than more broadly interpreted public interests. In our case, there was a clear distinction between the group representing the rural sector and those representing the interests of individual voivodships and regions.

[Chudziak] Our "toddling" democracy is developing amid sharp political conflicts. We face the prospect of yet another election campaign and it may not be long before the old argument of "reaching for an ax" comes up again. Are you not afraid that we could stray from the path of "velvet revolution"?

[Geremek] I hope that axes will be used only for splitting logs. However, we must remember that sharp conflicts are a natural development in the transition period from an authoritarian to a democratic system.

[Chudziak] Does this mean that we should accept them uncritically?

[Geremek] We are not accustomed to seeing democratic political interplay, where pre-election conflicts cause an exacerbation of existing conflicts and, consequently, create a sense of insecurity. We do not know what political competition means. As a matter of fact, I share the fear that the young and still not firmly established democracy has not yet produced the necessary safety mechanisms which would ensure the preservation of stabilization regardless of what changes take place in the top administrative personnel echelons or their associated teams. Since we are at present implementing a considerably risky plan of economic transformations, it would be to our advantage to have a sense of complete political stability throughout this period. My sense of unease stems from the fact that certain disturbances in the process of economic transformation, which are now occurring in a heightened form and which could even be defined as a crisis of the reform policy, are occurring alongside the slogans of political destabilization connected not only with preparations for the parliamentary election campaign but also with a disintegration of the old political spectrum.

[Chudziak] Memebers of the program commission appointed to prepare the cornerstones of the Democratic Union reported that the talks were very difficult and that the consensus was the result of a major compromise made by all sides. Have the limits of that compromise not been overstepped? Consequently, did your faction find the final outcome of the Democratic Union congress to be a fully satisfactory development?

[Geremek] We would very much wish to see the Union develop as a party with a fully unequivocal program and become firmly rooted in our country's political landscape. I believe it is generally progressing in that direction, but it has not yet really reached any of these goals. I believe that the fact that it has managed to build a platform of common consensus around the reform program is definitely a positive development. In this way it has affirmed its position as a pluralistic and pragmatic movement dedicated to work toward definitive changes. On the other hand, there are still far-reaching ideological differences within its general fabric.

[Chudziak] Aleksander Hall described these differences as "dangerous reefs."

[Geremek] Yes. They are very dangerous reefs indeed. The big question is whether the Union is able to overcome these differences.

[Chudziak] It is quite an unusual situation for a political party to combine so many ideologically different factions within itself, is it not?

[Geremek] Indeed it is. After all, none of the groups has given up its separate ideological identity. Their right to preserve this identity is, in any case, statutorily guaranteed. But I believe that our congress has given us reasons for an optimistic outlook and a definite hope for the future.

[Chudziak] At least until the election is called. What percentage of seats in the Sejm would the Union find a satisfying election outcome?

[Geremek] I believe that none of the parties involved should aim for less than 51 percent.

[Chudziak] And realistically?

[Geremek] We should not be prognosticating about this situation. In any case, the Union will seek to form a coalition—a sensible coalition, rooted in Solidarity, and working in support of the reforms. If this is achieved, then we can have a stable political configuration aiming to form a new government.

[Chudziak] Do you accept the possibility that a new government could be formed by a coalition of parties which are not rooted in the Solidarity tradition? In other words, could the Solidarity ethos lose to common disillusionment in the forthcoming elections?

[Geremek] I most definitely reject such a possibility. We have been successful in so many areas to date that I find it unthinkable that demagogic forces hostile to the reform program could gain the upper hand now. We should certainly be aware of the dangers, but mainly in order to counteract them the more successfully.

[Chudziak] Thank you for talking to us.

Parliament Denounces Ribbentrop-Molotov Pact

AU2506075191 Bucharest ROMPRES in English 2010 GMT 24 Jun 91

["Parliamentary Diary: Declaration of Romania's Parliament on the Ribbentrop-Molotov Pact and Its Consequences for Romania"—ROMPRES headline]

[Text] Bucharest ROMPRES, 24/6/1991—We commemorate these days the tragic events that Romania lived in June and August 1940, barely two decades after a centuries-old dream of the Romanian people had come true—the greater union of 1918 that brought our people together in a unitary Romanian state formed within its original borders—historically, ethnically, socially, politically, legally and culturally.

We recall those sad events when great parts were torn off our country's body by neighbour states which unlawfully annexed them, under protection from fascist and communist regimes and their policy of aggression and revision of the Treaty of Versailles, of change of the European political order established at the end of World War I.

Against the background of those developments in Europe at the close of the thirties, not only Romania's treaties and alliances system painstakingly and intelligently built by the Romanian diplomacy and its eminent exponent Nicolae Titulescu but also the General League of Nations system proved frail.

In the face of sheer force, of a policy of aggression from the east and from the west, understanding and conflict-prevention were either ineffectual or impossible.

It was the policy of appeasement pursued by certain countries before the policy of aggression of others that made the Ribbentrop-Molotov pact and the Vienna Award possible. They were the basis on which the Soviet Union annexed Bessarabia, Hertza Country and north Bukovina, and Horthyist Hungary annexed one-third of Transylvania's sacred Romanian land.

By the Romanian people's sacrifice of blood, one of those heinous arrangements—the Vienna Award—was abolished. The other Romanian territories are still estranged.

No policy, not even the Stalinist policy of estrangement of the populations in those territories could make the sense of belonging to Romania die in Bessarabia, north Bukovina and Hertza Country.

The Ribbentrop-Molotov pact under which the USSR and Germany set their "spheres of interests" from the Baltic to the Black Sea—arbitrarily deciding the fate of sovereign states of which Romania was one—is in open violation of the fundamental principles and norms of international law.

Consequently, on behalf of the Romanian people, the Parliament condemns that act as is null and void ab initio. Very much like direct effect of those secret Stalin-Hitler understandings should also be the Soviet Government's ultimative notes of 26 and 27 June, followed by the occupation on 28 June 1940 of Bessarabia, north Bukovina and Hertza Country, against the will of the population of those age-old Romanian territories, an action that accounted for gross violation of Romania's sovereignty, independence and state integrity.

The Ribbentrop-Molotov Pact was and is repudiated by the chancellories of many states. The Congress of the People's Deputies of the USSR branded on December 24, 1989 "the signing of the additional protocol to the treaty of 1939 ... and of other secret understandings with Germany" and "acknowledged" that "legally they have been null and void from the moment they were signed," running "counter to the sovereignty and independence of third states."

We share the assessment in the resolution of the Congress of Deputies of the USSR, according to which the Soviet-German protocols "were employed by Stalin and his associates to give ultimatums and put up pressure, by using force against other states, violating the juridical obligations assumed toward them."

Seen from a retrospective angle, these acts account for an obvious instance of the imperial policy of annexations, of dictate and overt aggression, the most serious expression of the violation of the international ethics and of international law, the most blamable conduct in international relations.

The new realities and the positive evolutions in Europe and in the world provide congenial conditions for the seeking out of means to peacefully remove the baleful consequences of the unjust acts relying upon the secret protocols of the Ribbentrop-Molotov pact, in harmony with the principles statuted by the Helsinki Final Act of the Conference for Security and Cooperation in Europe, and by the Paris Charter for a new Europe, in harmony with the norms of international ethics and law.

The Parliament of Romania resolutely states its stand to most responsibly approach this issue. In this respect, it asks the president of the country, the Government of Romania, all political forces in our country to take action in the spirit of this declaration, for the accomplishment of the legitimate aspirations of the population in the Romanian territories forcefully annexed pursuant to the secret understandings established under the Ribbentrop-Molotov pact.

Romania's Parliament expresses its belief that the full affirmation of the Romanians' legitimate aspirations—as they are consecrated de jure by history, justice and ethics—should be a noble and great mission for all responsible forces of the country, irrespective of their political option.

This declaration was unanimously by Romania's Parliament, in sitting of June 24, 1991.

Nastase Denounces Pact

AU2506074691 Bucharest ROMPRES in English 1650 GMT 24 Jun 91

["Joint Sitting of Parliament Chambers—Address by Foreign Minister Adrian Nastase"—ROMPRES headline]

[Text] Bucharest ROMPRES, 24/6/1991—The Ribbentrop-Molotov pact, signed on August 23, 1939 by the foreign ministers of Hitlerite Germany and the Stalinist Government of the USSR, and presented to European public opinion as merely a nonaggression pact between the two states, proved soon after its conclusion to be one of the major diplomatic instruments by which the two parties established their "spheres of influence" in Eastern Europe. The frontier changes made in that zone in 1939-1940, as a result of the partial or complete annexation of the territories of some sovereign states, as well as the USSR invasion on June 22, 1941 by the German troops showed the end of the pact was for neither side the securing of peace and cooperation between the two states.

It should be noted that even before the enforcement of the policy of strength consecrated by that secret protocol additional to the pact, that is, right on the moment it was signed, it accounted for a serious violation of the elementary norms of interstate relations, a defiance of the international accords of that time, especially of the pact of the League of Nations, that had sanctioned the peoples' inalienable right to decide their fate by themselves. This applied even more to the acts that derived from it.

Especially that the ultimatum whereby the USSR demanded that Romania should yield territories to which the former had no right, was a gross violation not only of the international conventions in force but even of the commitments made previously by the Soviet power.

The Soviet Union had acknowledged de jure Romania's frontiers, by signing the convention on the definition of aggression, of July 1933, in London, ratified by the Soviet party on October 16, 1933, whereby the act of aggression was defined and understood in relation to the territory of a state on which the aggression was directed. Or, the territory of a state was defined, consistent with the report of the security committee of the disarmament conference of May 24, 1933, as "the territory on which a state exercises its authority in actual fact." Moreover, on September 17, 1939, V. Molotov, chairman of the Council of People's Commissaries and commissary of foreign affairs, formally stated to Romania's minister in Moscow, G. Davidescu, that he would observe Romania's territorial integrity. In his address of March 29, 1940 to the Supreme Soviet of the USSR, V. Molotov stated that his government had never mooted "the problem of regaining Bessarabia by military means."

The Romanian Government's readiness to come to an understanding by peaceful means was brutally turned down. And that was precisely because there was no object of negotiation, just the wish to seize foreign territories by force.

Having no means to oppose the demands contained in the Soviet ultimative note of June 26, 1940 whereby unjustified claims were raised on the territories of Bessarabia and north Bukovina, supported by false ethnical, historical and juridical arguments, the Romanian Government had to yield to them. However, it did not recognize by that the Stalinist regime's rights to the respective Romanian territories. The note answering the second Soviet ultimatum—of June 28, 1940—made a point of stressing that the only reason why the respective decision was made was to maintain peace in the region: "The Romanian Government, in order to avoid the grave consequences a recourse to force and beginning of hostilities in this part of Europe would entail, sees itself forced to accept the terms of evacuation mentioned in the Soviet answer." So, the then Romanian Government spoke of "evacuating" those territories and not of "ceding" them.

In the same spirit, the foreign policy commissions of the House and of the Senate declared in their July 2, 1940 sitting that "Bessarabia and Bukovina are and remain Romanian above vicissitudes that have temporarily and not for the first time befallen them."

It should be stressed that, even in consideration of the provisions in the additional protocol to the Ribbentrop-Molotov pact, the annexation of Romanian territories by the Stalinist government went beyond the initially agreed upon frame, extending to territories that were never part of the Soviet state or of the Czarist empire. Quoting British historian P.M.H. Bell, author of a work on the origins of the Second World War in Europe, published in 1986, the Romanian foreign minister shows that the violation of the German-Soviet agreement of 1939 triggered off disagreements between the two contracting parties as regarded Bukovina. The Germans convinced the Russians to confine the occupation to the northern part of Bukovina, after which they advised Romania to yield to the Soviet ultimatum of June 26.

The enforcement of the ultimatum of June 22, 1940 was matched by numerous abuses. The Soviet troops did not observe the terms imposed by the Soviet Government on Romania, trying to attack the Romanian Army units and thus cause an open conflict with our country, with serious consequences for the Romanian state that was threatened to lose more territories. Moreover, they prevented the Romanian civilian population that was living through a genuine national drama, to take refuge in the territory left under the Romanian Government's authority and trespassed the demarcation line imposed by the Soviet demands.

Apart from this, considering the fact that concomitant with Bessarabia and north Bukovina the County of Hertza too, was occupied, a land that had never been included in the territory of another state neighbouring

Romania before, nor is it mentioned as such in any of the documents regarding the annexing act, it is more than obvious that all the consequences of the secret additional protocol to the Ribbentrop-Molotov pact for Romania are null and void ab initio.

Trying to legitimate the forceful annexation of the territories of Bessarabia, north Bukovina and Hertza, the Soviet historiography has permanently presented Romania of the years 1918-1944 as a) a participant in the anti-Soviet intervention through the "occupation of Bessarabia in 1918; b) a promoter of the anti-Soviet policy as a result of the alliance with Poland, the collaboration with France and England, and the participation in the "Little Entente"; c) wishing a rapprochement to Nazi Germany—with reference to the conclusion of the economic treaty of March 23, 1939.

What was termed "the occupation" of Bessarabia was in fact not an act of aggression and annexation—like that committed by Czarist Russia in 1812 when it had occupied the eastern part of Moldova, since on March 28, 1918 the population in that ancient Romanian land decided freely that province's union with the homeland. An end was thus put to an injustice over one century old forced on the population between the Prut and the Dniester, without the Romanian state's resorting to any form or means of action contrary to the international law in force. The return of that territory to withia the frontiers of the country was the result of an act of popular will, peacefully and democratically accomplished, through the exercise of the right to self-determination.

As far as Romania's "anti-Sovietism" is concerned, the archives of the Ministry of Foreign Affairs comprise numerous and convincing documents that prove just the opposite, meaning the preoccupation and permanent care of the governments that came to power between 1918 and 1940 not to harm in any way the USSR interests, and to promote good neighbourly relations.

A cable dated June 22, 1938, signed by the then Foreign Minister Comnen, sent to Romania's representative in Moscow reads as follows: "We have formally assured Mr. Litvinov that Romania does not mean to enroll itself in any left-wing or right-wing ideological bloc, nor will it participate, either directly or indirectly in any hostile or provocation action against Russia..."

On April 8, 1939, a cable sent by the legation in Moscow to the Foreign Ministry of Romania, reporting the talk between the head of the Romanian legation and the Soviet chief diplomatist Litvinov, on the content of the economic treaty concluded by Romania and Germany on March 23, 1939, mentioned: "We have insisted on the sentence: Romania will never be the instrument of big powers against its neighbours."

Romania's moderate attitude toward other neighbour countries, far smaller than the USSR, even when they showed more and more obviously a revisionist policy, strongly stands proof that as far as it is concerned, our country was truthful to the duties of a good neighbour. Telling in this respect is the cable sent by the Romanian Foreign Ministry to its embassies in Belgrade and Ankara, on March 21, 1939. The cable, signed by Grigore Gafencu reads as follows: "Romania's will of peace is generally known. Romania does not pursue any political or territorial aim beyond its frontiers. On the recent events, especially the occupation of sub-Carpathian Russia by the Hungarian troops, Romania has proved its peaceful and benevolent spirit toward its neighbours through the wise attitude of the government...Hungary must not fear an aggression from us. All the while, Hungary has revisionist feelings which it has openly showed recently in press campaigns and rallies ... These arguments apply also to our relations with Bulgaria, on which we do not have any claim and which we would like to see as a participant in the collaboration of the Balkan states."

It appears from all this that nothing of Romania's conduct justified the occupation of the Romanian territories of Bessarabia, north Bukovina and the County of Hertza by the Soviet troops. But the expansionist policy of Hitler's Germany and of the Stalinist Government of the USSR encouraged the revisionist governments of Hungary and Bulgaria, that, with Berlin's blessing, occupied other parts of the Romanian territory soon after the Soviet act of annexation was carried through.

From a historical angle, the Ribbentrop-Molotov pact appears, in the larger context of the policy of the then big powers, as one of the acts inspired by the policy of yielding to the revisionist countries. In consideration of the data we have today, it is clear to us that that act allowed Hitler to start the Second World War. We retain the opinion of the commission of the USSR Supreme Soviet on the political and legal assessment of the Soviet-German Treaty of Nonaggression of 1939, according to which to Stalin "the main reason was not the treaty as such but precisely what became the object of the secret protocols, namely the possibility to introduce troops in the Baltic republics, Poland and Bessarabia and, in future even in Finland. Which is, the central reason of the treaty resided in the imperial ambitions"—"PRAVDA," December 24, 1989.

The Soviet ultimatum of June 26, 1940 and the introduction of troops in Bessarabia, under the Ribbentrop-Molotov pact, made, by all standards, a clear case of aggression. That act was a blow not only at the Romanian people, but also at the spirit of good neighbourliness and mutual regard that started emerging thanks to the efforts made by such outstanding politicians as Nicolae Titulescu and Maxim Litvinov, as well as by prominent figures of the cultural and social life.

With the occupation of Bessarabia, north Bukovina and the County of Hertza, Stalin started the process of territorial dismemberment of Romania, that continued with the tearing off of a part of Transylvania and the loss of southern Dobrogea. Conditions were created for the advent of an Iron-Guardist government and of the

military dictatorship, as well as for the country's joining in the war, as Hitlerite Germany's ally, and its participation in the war against the Soviet Union.

Our government welcomed the resolution of the Congress of the USSR People's Deputies of December 24, 1989, that reads: "The Congress of the People's Deputies of the USSR condemns the signing of the 'additional secret protocol' of August 23, 1939 and of other secret understandings with Germany. The Congress recognizes that the secret protocols are legally null and void from the moment they were signed. The protocols did not provide a new legal base for the Soviet Union's relations with third countries, but they were employed by Stalin and his associates in order to give ultimatums and put pressure on other states by use of force, in violation of the legal obligations assumed toward them."

Romania's Government has repeatedly expressed the stand—which I am reiterating before you today—to see the Ribbentrop-Molotov pact as an illegal act, of flagrant violation of the principles of international law, null and void from the very moment of its signing. Hence, the illegal character of all its consequences, including as regards Bessarabia and the other Romanian territories forcefully incorporated into the USSR under its provisions.

Unfortunately, the estrangement of Bessarabia, north Bukovina and the County of Hertza has become one of post-bellum Europe's realities, consecrated by the treaty of peace concluded between Romania and the allied powers in 1947. This reality was worsened by the Stalinist policy of denationalization and of using the ethnical element in order to consolidate the empire, that, in turn, generated new realities. One of them is that the Romanian territories torn off the country's body pursuant to the June 1940 ultimatums were included in various republics in the Soviet Union's territory. Another reality is the deliberate Stalinist policy of altering the demographic composition in those territories, that has resulted in a drop in the share of the Romanian element by now—according to statistics at hand—to 65 per cent in the present territory of the Republic of Moldova and to 20 per cent in the territory of north Bukovina. We, as a government and as a country, cannot ignore all these realities and it is precisely from them that we start on defining our stand and policy as regards the settlement of the consequences of the Ribbentrop-Molotov pact.

Post-bellum European reality established in Yalta and under the subsequent accords is in full evolution. The most remarkable changes in this reality are Germany's unification and the revolutions in eastern Europe that put an end to the cold war and to the continent's division into countries with "differing socio-political systems," inaugurating the respective countries' transition to democracy and to the market economy. The Soviet Union itself lives through deep-going changes. The Republic of Moldova endorsed one year ago a declaration of sovereignty within the USSR and set itself as strategic objective the winning of full sovereignty and political independence. We must respect that option.

The wisdom of our policy concerning the reparation of the consequences of the Ribbentrop-Molotov pact will be obvious to the extent to which it takes account of the geopolitical and historical-political realities we live in and with.

The reparation of the consequences of the Ribbentrop-Molotov pact is unconceivable today outside the principles of international law and the general evolutions on a European plane. The principles of international law are sanctioned in the UN Charter, in the declaration of the UN General Assembly on the principles of international law referring to friendly interstate relations, as well as in the 1975 Helsinki Final Act and the Paris Charter of 1990. These principles are compulsory to Romania just as to the other European states. They set the format and extent to which we can act. We can understand the emotional approaches of certain political forces in our country, but we do not share them, since their immediate implication is to come up with territorial claims on Bessarabia and the Romanian territories as were in 1940. Such an approach is not in the spirit of the above principles, moreover, it is both utopian and contraproductive, both politically and in actual fact. No CSCE participant country sustains such an approach, not even as far as the Baltic countries are concerned, which were independent states and their incorporation in the USSR territory was not recognized by a number of states, the United States included, which is not the case of Bessarabia.

Our option, the government's option, is a pragmatic approach which seems to us more efficient in a longer run.

We must accept the idea of two Romanian states, each following its own way, in the existing geopolitical context. On accepting this reality, let us build around it, hoping that the way the two states will travel together, achieving an ever closer economic and cultural interrelation, will be able to maintain the present in the perspective of a future that should let us think of such a degree of spiritualization of the frontiers that will make Romania and the territories of Bessarabia, north Bukovina and Hertza no longer feel estranged. The Treaty of Collaboration, Good Neighbourliness and Friendship signed on April 5 with the USSR allows for the establishment of direct relations with the Soviet republics, including the Romanians in the territories incorporated in 1940 in the Soviet Union. Let us use this opportunity by a wise policy of one stitch at a time, which seems to us by far better than a brutal action lacking perspective, and by clearly distinguishing between policy and feelings. While obviously expressing our feelings, let us actually start building the economic and cultural inter-relation I have referred to above, establishing durable ties with the population in the Romanian territories estranged as a result of the understandings occasioned by the Ribbentrop-Molotov pact. Our government has taken this way,

opting, instead of the radical and violent stand to which some are urging us, with unforeseeable effects in the general context of the European norms and of the balance of forces in the continent, for a policy of providing the requisites for the relations of the population in the Romanian territories with the country to proceed fruitfully. This is the message which, in behalf of the government, I am taking today to you, the country's legislative forum.

Nothing seems to me more fit to support this urging than the words Iuliu Maniu uttered in the sitting of the Assembly of Deputies of the Romanian Parliament of April 4, 1934, during a debate on Romania's stand vis-a-vis the frontier revision: "If a whole world divides us from one another on so many internal questions, I wish that at least on external matters we should unite in thought and resolution, in order to keep what is ours, not to attack anyone, yet not let anyone attack our national heritage," concluded the Romanian foreign minister.

Moldovan Minister Comments on Cooperation Pact

AU2206173991 Bucharest ROMPRES in English 1049 GMT 22 Jun 91

[Text] Bucharest, ROMPRES, 22/6/1991—"As I said on the occasion of the signing of the protocol of cooperation between the Ministries of the Interior of Moldova and Romania, we hope to be given brotherly help in our activity, to enlarge our relations with specialized institutions in other countries, among which the Interpol, in the training of policemen included," Major-General Ion Grigore Costas, minister of the interior of the Republic of Moldova, told a "ROMPRES" special correspondent.

"We have established," he specified, "concrete measures and actions for fighting crime, for improving the technical equipment necessary to our work.

As from a union ministry we have turned into a republican one, with its autonomy and prerogatives, we have also taken steps for cooperation with interior ministries of other republics of the Soviet Union, that are, like us, concerned with ensuring the legal framework of their activity. Although voices have still been heard that there is no difference between the old militia and the present police, I can say we have already greatly changed the essence of the system, we have paid special attention to ensure a better national representation of our staff, to employ good specialists, competent people. I am confident we shall improve all kinds of relations with our colleagues and friends from beyond the Prut, while backing the ideas of national sovereignty and independence." concluded Major-General Costas. [sentence as received]

Markovic Addresses Croatian Assembly

LD2406092291 Zagreb Radio Croatia Network in Serbo-Croatian 0806 GMT 24 Jun 91

[Address by SFRY Prime Minister Ante Markovic to the Croatian Assembly in Zagreb—live]

[Text] Esteemed Mr. President, Esteemed Deputies: Allow me to express not just my great pleasure but also my thanks for the invitation by Dr. Tudjman, president of the Republic of Croatia, to attend your session and to address you. In my view, it was right that he insisted that this was done as soon as possible and that, thanks to Dr. Domljan, who telephoned me, our visit to the Croatian Assembly and talks about topics to be discussed today were agreed upon.

Following the contacts that we, as the Federal government, had in the Republic of Slovenia, our talk with the government of the Republic of Slovenia, the speech and talks in the Assembly of Slovenia, our talks with non-Assembly party factions and their leaders, as well as our talks with the opposition—we again had talks with the government of Slovenia—and following my speech in the Yugoslav Assembly, the text of which you, unfortunately, have not been acquainted with, I am now in what I would call a complicated position in that, after all my previous speeches, I am expected to present a new approach in comparison to what I said before.

You must understand that my feelings are of a special nature: From this position, I had the opportunity to speak on several occasions, both as president of the Croatian Assembly Executive Council and as the president of the Presidency of this republic, at the time when it was in, I can now say, a very complex and difficult situation, between 1982 and 1984, when Croatia was in a very difficult position. It was both externally and internally illiquid with enormous mounting losses, and it was unable to maintain its communications with both the world and the rest of the country. The situation required measures to facilitate a recovery and to enable the Republic of Croatia within, I would say, a year and through great efforts made at that time and cooperation between the Assembly and the Executive Council of Croatia so successfully the potentials, that, when treated complementary, are exceptionally strong and provide great opportunities for primacy of the Croatian economic and social structure within Yugoslavia, that within a year and in light of enormous illiquidity and enormous losses, the Republic of Croatia became capable of developing independently and of making its own contribution to the development of the country as a whole. [sentence as heard]

You have been operating within this new composition for over a year now. You were elected in multiparty elections that, I dare say, came about thanks to this government's work, that in its commitment to reforms and the democratization of our society also drew up a very coherent program of transformations, reforms, and the democratization of our society to facilitate the transition from one system to another system, something that requires a huge amount of energy, sacrifice, and sweat—but not blood, as we have always stressed, not a single drop of blood.

It [the program] should have ensured that the transition from one system to another, notwithstanding all the great sacrifices involved, was going to be carried out in the optimum way, by transforming one society into another, by establishing totaliy new relations—starting with private ownership, the formation of a market, increasing the economy's efficiency, a new role for the state regarding macro-economic policies and its legal functions, the rights of citizens and their sovereignty and other sovereignties derived from this one, and eventually a multiparty system which should be an expression of these changes in the structure of society as a whole. This should be done while taking into account the fact that without changing the character of ownership, there is a poor chance of changing the character of society and its political structure.

We knew that, in principle, two possibilities exist for (?such a) reform and the democratization of (?our homeland) to be expressed: one in which it would be carried out by a transformation in which global and partial programs are harmonized both in qualitative and quantitative terms and in terms of the time dimension, and which as a result make it possible for this process of transformation to take place in such a way as to facilitate the use of everything positive that has been constructed up to now, beginning with individual structures of the economy and including the structure of society as a whole, that will make it possible—by using them—for the construction of the new system to take place in an optimal way.

In contrast to this is [the idea] that the transition from one system to another occurs with its destruction, erosion, and its complete disintegration [words indistinct] and then, on this basis, with the construction of a completely new system. I think that one does not need much knowledge and competence to judge that the differences between these two conceptions, these two systems for the transformation of society, that (?result), regardless of whether it is a matter of the country as a whole or of each of its parts—because each [part] must pass through this process and [word indistinct] and this process and this transition must be facilitated in such a way that the price is incomparably less.

When we entered into these large-scale changes two years ago, the differences between Croatia and Yugoslavia as a whole, compared with other East European countries, were enormous. Regardless of this and the fact that a party system continued to exist in Yugoslavia, the changes, particularly in the character of social ownership—regardless of the fact that the changes proved to be incapable of resolving contradictions in the development and transition of one system into another—were a step forward that made possible greater freedoms and rights

and less state interference. It also became possible for the changes not to be a matter of a centrally planned economy and industry. Because of this, the changes freed certain creative forces and formed a sense of ownership, regardless of the fact that this was quasi-ownership, on the basis of which there was, in fact, success in developing relations and in developing efficiency in labor productivity and in developing a certain level of democracy that guaranteed that Yugoslavia is at least 20 years ahead of other former socialist countries.

The process of change we are embarking on now is being launched at a level that is—on the strength of the character of the now established social sphere and its achievments—above that of other East European countries. This program was launched, and in its first year it achieved remarkable results. The character of society was changing at the speed of light, its politicization was being carried out, a new structure was quickly formed, new macroeconomic policies were implemented, and a vast amount of hard currency was amassed in conjunction with an almost total liberalization of prices. Relations with foreign countries ensured the full influence of the world and European market on our trends and the formation of a new structure on this basis in our country. Apart from this, we also managed to cut the inflation rate to zero. One has to admit that these results gave us an extra edge over other East European countries, boosting our advantage by over 20 years. What has been happening in the past nine months?

The reform and transformation of our society have been hampered, primarily due to political reasons. Its disintegration rather than its transformation has taken place. As a result of this disintegration, we have encountered a situation that is setting us back years and years. We have in fact found ourselves in a situation that is, in terms of political, economic, and social reactions, not remotely different from that of the other East European countries, despite the existence of our potential. This should enable us to return to the program of reforms and the democratization of our society, its transformation from one system to another, and to return to the remarkably successful period of transformation with all its positive results. We could then take the lead again, ahead of all others, and pave our way, not just in a formal and legislative sense but, in essence, in a comparably better way than anyone else's, a way of finding our place among Western Europe's democracies and their integrations.

Because the whole process of change contains within itself not only economic, political, and social but also state structures, and (?their relationship), the question should now be raised whether everything that now faces us—and about which a decision should be made in the Repuablic of Croatia Assembly, as well—aims at transforming one system to another to increase its economic efficiency and [provide for] new state functions and the legal role of the state, a multiparty system, the freedom of citizens, the freedom of speech, the freedom of space and information dissemination. These things should make it possible, by forming itself as a state of social justice as well, for the system to be able to develop and find its place in the democratic, developed world of West Europe. Or should we go on until we have the disintegration of the system, both in terms of its configuration and architecture as a state and then, on this basis, after this disintegration, build a completely new system?

There have been those (?with whom we have worked) who have spoken about the difference in the price to be paid—not only in economic, not also in social and even in human terms—as being enormous. In fact, we do not have an alternative because, at the same time, if we were to go down this road through the country, then we would arrive at a situation that would put us back years and lead to relations—not only economic and social relations—that would threaten a social explosion and a decrease in production, and the one that we have at the moment of about 20 percent would be much deeper, and it would not even stop at 50 percent.

Economic problems, unemployment, and people coming out in the streets would be present to such an extent that it would be difficult to prevent a social explosion. The question arises: Has everything that we are going into now, the decisions that must be made, the commitments that have been assumed, and previous decisions, brought us and the country into a situation that is so dramatic that it will not allow the transformation process to be carried out and will make collapse inevitable? In this context, the question arises: Are the decisions to be made in the Croatian Assembly an act of secession? Or are they a democratic process of forming new relations in a new system, meaningfully representing the autonomies and the sovereignties of the republics, giving simultaneously optimum advantages to a fresh system and its parts in the interests of all and of everyone individually and collectively? In conclusion, it must be said: Is the concept of dissociation a unilateral act—that is, an act of force? Or a democratic process of changes in the relations in our society? An answer to that must be provided by everyone taking part; it must be given by those who have forwarded the proposal, and they must give their views on that not only verbally, not only formally and legally, not merely in the form of a declaration, but also concretely and specifically, as well.

In this context, the delicate nature of my speech from this rostrum is all the more complex, not only because of the office I hold today, but as a former delegate sitting on these very same benches and as president of the Croatian Executive Council and of the Croatian Presidency.

I could speak here both as a Croat and as a citizen of Croatia because this is what I am. I can speak as president of the Federal Government, and I can speak in a way that will entitle me, as well, to say what I think of some of the issues because, as the premier and as a Croat, I am not not only interested in but am also responsible for the future of the state of Croatia and the peoples living in it. However, because I am Federal premier and, therefore, a citizen of Yugoslavia, permit me to say, a citizen of Europe as well, I am also responsible for what

is happening in the country as a whole. I am aware that, regarding this, assorted views are presented and accusations are made regarding national betrayal, anti-Croatian stands, and robberies. I would like to take advantage of this opportunity for the first and the only time in my life and work to (?illustrate) my personal stand on Croatia and the Croats.

I was born a Croat; at the same time, I feel myself to be a proud and enlightened member of the Croatian nation, something I have never been ashamed of and, as a result, I have frequently had problems, but I never fail to talk about this in this way. I am one of those liberals who fought for the transformation of our country for many years before I took up certain posts. But, in this way, I do not want to negate either the post or the job I had because I have done it honorably, and I do not have any reason to be ashamed of it.

As for all of my national emotions, and I express these national emotions in a different way from many others, I must say that I have never been impressed—do not see anything offensive here—by either symbols, or loud mouths, or flags, or the past—this is not my problem. It is probably the problem of some others. But who has the right to assess this relationship as a human being? I think no one has the right to do this. I must say that I had the opportunity to say this, and I will not repeat it here. Has anyone the right to say who is the greater Serb in some part of the country? Who is the greater Macedonian? Who is the greater Slovene? Who is the greater Croat? Let some work, practice humanism; results prove this and not words. Where I would like to say something—I have never spoken about this—where I differ from many of my critics, is that love of my nation does not mean I hate and am intolerant of other peoples. Really, it requires the love of other nations, Yugoslavia, and the world, and I only see my relationship in this way.

I must say that I also acted from this point of view when I was in the Republic of Croatia and in industry as a professional employee, as a leader, and as a person sitting on these benches and behind this platform believing, as history can prove, that results are available that will testify to this. Personally, I would not like to say anything about it. However, allow me to say something else as well, something that I would like to mention before I say what I must say as president of the Federal Government.

During the first meeting I had with President Tudjman, at his invitation, when he was taking over the office immediately after the elections, I asked the question: What attitude will be adopted by the new authorities in Croatia, that gained power legally and in a legitimate way during multiparty elections and are, therefore, the result of what this government had been advocating in working for democratization of our society? What will their contribution be to the democratization and reforms in Yugoslavia?

The question is whether they will make efforts to make their contribution to the reforms in the country as a whole by reforming to the maximum and democratizing relations in the Republic of Croatia.

When summing up the last 12 months, can we say that we have results that can provide a positive answer? I would not like to be a judge here today; however, it should be included on the agenda here, and we should consider whether the transformation of power and social ownership has been carried out in the direction of privatization or destatization, whether democracy is being realized by further developing self-management, or whether a unitary state is being formed here. Is the creation of such relations opening up the process of transformation in enterprises and the process of their recovery or are things, in fact, being allowed to develop in a haphazard way?

A whole number of questions could be asked. I would not like to provide answers to them. I want us to talk about them to see if they are part of our program of reforming society as a whole. As far as we are concerned, our stand is clear. There will be no change in the character of a society without changes in the nature of ownership. Only by privatizing it can we create a market with all of its factors and on this basis form new relations [word indistinct] in which the dominant thing that (?is valued) today in Europe and in the world as a whole, is that economic integration processes dominate and that political regionalization dominates. And this is a dominance in which an optimum is sought today between economic, political, social, human, and other relations. Should we develop this dominance or not? Let me say here that the formation of economic integration is no kind of either centralization or concentration of resources, but is the establishment of functions of the system; and by their logic these functions of the system create an ambient in which—without state mediation, only to the extent to which they create this ambient—economic subjects, influenced by their own interests, adopt autonomous decisions, both development- and economic-orientated ones.

In this function of the system, its elements must be inviolable because without them there is no legal security for the functioning of the system. One could also say, and I raised this as a question the first time, how one is to resolve—as I saw things at that time, although it was the beginning and still a long way from being able to give such a definitive answer to this question—the kind of relationship to be built toward Serbs in Croatia. I believed even then during talks that—and since then it has been repeated—this agreement on relations must be resolved in Croatia. There cannot be an agreement on relations between Croats and Serbs in talks between Zagreb and Belgrade.

It can only evolve on the basis of talks within the framework of Croatia with the citizens of Croatia and on this basis alone. Any other talks outside this framework will only lead to polarization of relations that, whatever

else happens, will not lead to the resolution of relations required by the democratization of our society.

I must also say the following: I have believed from the very outset that Bosnia and Hercegovina will be pivotal for the future of our country and its relations. And I believe that the stance toward Bosnia and Hercegovina—also a sovereign subject within the framework of Yugoslavia—cannot be the result of any agreement or negotiations or division between any parties and that the stance toward it will signify whether we shall be resolving relations in our country through violence and through conflict and even military intervention, or whether we shall be resolving them in a democratic manner. Of course, a great many things have happened in the meantime. The summer of 1990 and Knin happened. The 21 January 1991 happened as well. I would not like to explain what happened when I came to Zagreb during the night and traveled back to Belgrade. Perhaps someone writing his memoirs about these times will delve into these issues. I do not have the time for that. I am working to improve the present situation and safeguard our future.

What was happening in mid-March this year? You are not unaware that Premier Manolic and I went to Vukovar and Split. I also went to Borovo Selo. We went to talk, to give some help on the post, to [show] that issues can be identified and that help can be given in resolving those problems without which, (?if you allow) if there is no willingness to discuss them together at a table, as well as the fate of our country, (?there will be no way out). At the same time, I do not want to pardon anyone. I will also not pardon those outside this Republic who are the causes of what is happening in the Republic, but, allow me, I will state this at another place.

I must also say, on the basis of visits that we made, that arming is in progress. It is not just that the police force and some paramilitary [formations] are being armed, but completely illegal organizations and citizens are being armed. An enormous amount of arms are in the hands of both sides. Wherever arms are being accumulated, then believe me, pressure is being built for the arms to be used.

We have not championed transformations, reforms, and democratization of our society just to have our contradictions be resolved by arms, but to resolve them by democratic methods, agreements, and by seeking solutions for a possible coexistence. The whole of history shows that even after wars, parties had to sit at a negotiating table, and agreements had to be made. In the meantime, many lives were lost, a lot of blood flowed. Do we need this? We must have the ability and courage to talk about this, to demand and to carry out the disarming, if we want to join Europe—and we want to join Europe. We shall not reach Europe by arming and militarization, but by developing democracy, by developing our relations in a manner that will enable us to find—mutually and in regard to ourselves and others, and in a totally, I would say, fair and constructive manner—a possibility for coexistence. You see, a lot more could be said about this.

However, it is very interesting—I shall not elaborate now because there is no time—the day of rising and participation in the war was observed last Saturday. A great deal was said about that, and it is certain, it is certain, that there were forces in Croatia that opted for the rising and that fought against fascism, but they also fought against the so-called independent state of Croatia as the protagonist of that fascism in our country. Conducting our struggle together with all the peoples within our state borders against the occupiers and against their quislings as well, we became allies of those who won the war and who won not simply because they were victorious, but also because they were eager that in so doing they should develop democracy as well. Subsequently, novel democratic integration processes in Europe and in the world ensued.

Our thinking is as follows: The Yugoslavia that we are due to build must be completely new both in terms of content and form, a third Yugoslavia. We do not think a break in continuity is required for that. I must stress that—regardless of the fact that one can speak of thousands of years, or decades—a structure of relations has been built in our country over a period of 73 years that is not only industry-related, economic and social; it is also state-related and people-related. Many visible and invisible ties exist that are implicitly interrelated, and time is required if these relations are to be broken off. They cannot be broken off overnight without entailing serious consequences.

You see, what would happen with tourism, shipbuilding, oil, and exports and imports if we were to break off all our reciprocal relations and ties overnight? Our assessment is that our current 20 percent fall in production would amount to 50 percent or even more after that. The consequences would be so serious that a long period of time would be required, so much so that during the time at our disposal, we would not be able to sort out our future, but would be sitting on a bomb that could explode and destroy us all.

We now have a big chance, but without foreign support—strong economic, financial, material, psychological, moral and political support—we are not in a position to overcome the deep crisis in which we have landed. We must send out signals that together we can get this support, because evidently anyone on his own does not have a chance of getting it.

Allow me now to abuse—if I may put it like that—the chance that I have to speak to you, because from many contacts during the past two days I realized that, in fact, many deputies present here who have been speaking to me do not know what the stands and the proposals for the solution of the crisis and the settlement of relations with the Yugoslav community are. They were proposed on Friday by our guest, the speaker today, during the session of the Federal Chamber of the Yugoslav

Assembly, concerning a task that has long existed, perhaps over one year, whose final form we have not yet proposed for a variety of reasons that have arisen in the meantime. Also permit me to note a discovery, unpleasant for me, that virtually none of the people I spoke to were aware of what we had proposed.

Unfortunately, the Croatian media did not pay enough attention to that document, unlike the majority of (other republics) that carried my speech live.

Allow me to read some of the main points from that speech that sum up our relations and—from our standpoint—refer to the issues you will decide upon over the next few days.

The Federal Executive Council [FEC] considers it necessary to remove political obstacles to the functioning of the system that have served to halt economic and political reforms and the development of democratic relations in society. This is the only way to create prerequisites for restoring the seriously disrupted trust among the Yugoslav nations and republics, for restoring the country's lost international reputation and the confidence in us needed for international support and financial resources that have already been offered us and without which there will be no way out of the crisis and without which neither economic nor political reforms can be implemented.

The FEC considers it necessary at the same time and in a coordinated way to engage all forces in society in efforts to resolve topical political, social, economic and other problems and to agree on developing principles on which to develop future relations in the Yugoslav community. To ignore the topical, everyday, practical problems of our people would further exacerbate social conflicts in society and would push us further away from solutions to the future system of relations in the country.

On the other hand, a necesary but peaceful agreement on the principles on which to base our relations in the future community will not be successful if, in tackling the problems of the system's smooth functioning and the people's existence, we continue to come against unbridgeable obstacles and difficulties.

The FEC is of the view that the resolution of increasingly difficult economic and social problems requires conditions conducive to the functioning of the system during the transitional period and until an agreement is reached on future relations in the country. To achieve this, all available measures must be used to restore the convertibility of the currency, to urgently adopt the proposed economic policy, to secure further ownership transformations on the basis of privatization. This implies a halt in the growing trend of placing socially-owned property under state control. It is also necessary, in line with the reforms, to halt the global tendencies of a drastic decline in production and social product.

To this end, it is essential to engage in all measures and activities and, in particular, immediately remove all obstacles, all remaining obstacles, regulations and practice that have destroyed the unified Yugoslav market for goods, labor, capital and know-how; it is essential to approve the budget and insure funds for the protection of citizens' savings that no one can bring into question, and to do this through the institutions and the public debt of Yugoslavia, that would be serviced from real sources of funds; it is essential to adopt realistic social programs at all levels and to secure additional funds from all these sources.

It is urgent that an agreement on future relations in the country halts the further erosion and disintegration of the judiciary in the political system, removes the blockage in the functioning of the legal institutions of the country in the carrying out of their constitutional functions—established functions—and creates conditions for effectivly carrying out of the functions of the state organs.

To this end, it is essential to immediately remove the blockade in the functioning of the Presidency of Yugoslavia by proclaiming the president and vice president of the SFRY, on the basis of the Yugoslav constitution, in accordance with the order of rotation established in the existing regulations concerning the work of the Presidency of Yugoslavia. The stance of the FEC that Mr. Mesic must be proclaimed president of the Presidency of Yugoslavia and Kostic vice president of the Presidency, is well known, and in this regard we believe that no one has the right to negate such a realization. It is essential to remove obstacles in the way of the functioning of the Yugoslav Assembly. Pending a final agreement on the future settling of relations in the Yugoslav community, an attempt to alter Yugoslavia or its individual parts, or changes in the internal and external borders of the country, will not be permitted.

In this sense, we shall not allow any disruption to the border system, the appropriation of customs duties and taxes as a direct source of [federal] income, and other attempts that are contrary to the regulations. Until a democratic agreement on the future prospects of the Yugoslav community is reached, the FEC is resolute—in line with its constitutional powers and responsibilities—in opposing unilateral demands and behavior through all legal means, as well as hegemony and the imposition of one's will on others, [all of] which can bring into question Yugoslavia's freedom, independence, sovereignty, and territorial integrity. It is necessary to undertake energetic measures in all republics in order to prevent a further exacerbation of interethnic relations, to secure conditions and time for a peaceful and democratic resolution of problems by—above all—legal means. This refers primarily to safety of the citizen's person and possessions, to confiscation of arms from citizens who are illegally possessing arms in increasingly large quantities, to the disarming and disbanding of illegal formations, to resolutions of conflict relations and undertaking legal acts in areas where interethnic conflicts could occur, which competent bodies together with all other [factors] should enable.

Regarding an initiative in the Slovene Republic and the Croatian Republic, the FEC says in its text: Proceeding from the constitutional right of nations to self-determination, including the right to secession, the FEC holds that the exercise of this right is a democratic process, and not a unilateral goal. This right can be exercised only through agreement on a democratic procedure. The exercise of this right demands that time dimensions be comprehended. This means that necessary parts of the system must not be disrupted. (?Such disruption) objectively leads to a catastrophic economic, social, and political situation. Dissociation cannot bring about negative and harmful consequences for the interest of other republics and Yugoslavia as a whole, which the FEC wants and must take into account. Dissociation as a unilateral act would mean a violent change in the existing relations, that is, the negation of democracy, that very right and the same right of other nations. That is, it would lead to a violent settlement of the Yugoslav crisis.

The FEC holds that dissociation, if it occurs, can be realized only as a democratic process, that is, as a process of gradual independence and sovereignty, but also as a simultaneous advent of a fresh process that would consist of proposing and determining new relations between republics and nations, that is, new, modern integrational relations, such as those that are currently underway in Europe. This means that the fulfillment of this right should be directly linked with the opening of processes for the inevitable integration of Yugoslavia into European integrational groups. The transformation of the existing system and contents of economic and political relations, foreign affairs, and defense on a qualitatively new basis in terms of their time scale, creates opportunities for the development of all segments of the system as a whole regarding the relations between local autonomy, republics, Yugoslavia and Europe.

In this context, it is necessary to find adequate normative and other solutions to realize and guarantee equal rights of all citizens in Yugoslavia, which means the same rights for parts of nations living in other republics, as well as guaranteeing and protecting the rights of nationalities in each republic and autonomous province.

The FEC is prepared to fully involve itself in defining the process of forming a new system and new relations, and those parts of the system that are already necessary and advantageous to all, as well as those that can be be immediately and autonomously resolved within each republic. All other issues that are not clear and cannot be defined at present should be left for future agreements and to allow time for the right answer to be found to them.

Proceeding from everything I have set out, from the crucial interests of this country's peoples and citizens and particularly from the need to avert the risk posed by a series of serious conflicts and unnecessary victims and from Yugoslavia's international relations and the UN charter, Helsinki and the CSCE documents that state that borders can only be changed by agreement, as well as from the international community's clearly pronounced stands about the need for the preservation of Yugoslavia within its existing borders, the FEC maintains that any agreements of any kind or unilateral decisions to change the country's internal or external borders are at odds with any peaceful and democratic solution of the crisis. As such, they ought to be regarded as illegal and illegitimate. Every republic and every people in Yugoslavia must agree on such decisions. This is why I am suggesting that all the republican assemblies and the Yugoslav Assembly should pass a joint declaration about this by which they guarantee their external and their internal borders between themselves, thus automatically preventing this issue from turning into a bone of contention and, consequently, into a mutual war of confrontation.

The FEC believes that the establishment of a new economic, state and political system affords an opportunity to outline the nature and the substance of relations within the Yugoslav community upon new democratic relations. It is in the interests of all our nations, nationalities, citizens and republics to define Yugoslavia as a community of sovereign republics and as a state organized in keeping with current democratic achievements in Europe and the world. The status of autonomous provinces must be adjusted to these achievements. In keeping with a definitive—I am skipping some—in keeping with the final accord, an agreement should be reached within the organs of the community on joint interests and functions of the community, and the jurisdiction of these organs should be outlined in keeping with the functions of the community. The work of these organs should be independent. They should be located in various parts of the country and independent of the influence of organs of authority in the territory in which they are situated.

In supporting the platform on a future Yugoslav community that was approved during the Sarajevo meeting as a constructive basis for further work by the republican presidents and Presidency presidents, and proceeding from the outlined commitments on joint interests and on functions and on basic principles of relations within our future community, the FEC is willing, together with republican and provincial executive council and governments, to set up groups of experts who, proceeding from a critical assessment of current solutions in all areas and from current developments in Europe and the world, will identify and work out those joint interests that, as a function of our future community, would be expressed in a constituent act of this future community.

In this way, a basis would be created for representative bodies in the republics and provinces and the Assembly to become actively involved in the process of finding a solution for the future system of the country. Our current relations with the world show that the next few days could be crucial for the future of Yugoslavia, as an

integral part of the new Europe or for our remaining on the sidelines of the contemporary European and world developments.

Long-lasting political instability has led to a decline in the reputation of, and confidence in, Yugoslavia in the world. Yugoslavia has become a crisis point and a danger to peace and stability on the continent of Europe.

The internal crisis has caused setbacks in our relations with the world that will be difficult to recoup.

The international and legal status of the country as a subject has been destroyed because of behavior contrary to the country's established foreign policy and because of the crisis in the Yugoslav Presidency; our links with the EC and other European communities have been halted; relations with international financial institutions have been frozen; and the influx of foreign capital and joint ventures has been blocked. The interest of foreign tourists has declined drastically—and you know this best—and cooperation with the world in the fields of culture, education, science, and sport is being halted.

The EC, our other partners, and international financial institutions are showing full readiness to support Yugoslavia's inclusion in European integration, above all, by association with the EC.

It is of particular importance that the process of association with the EC creates scope for the Yugoslav community to become an integral part of Europe, and its citizens to become citizens of Europe. The treaty on association provides a guarantee to business people on the world and European capital markets that, behind their investments in Yugoslavia, on the basis of their interests, there also lie European guarantees, both political and economic. In this way Yugoslavia is given a great development opportunity by the developed world, which wants the peaceful and democratic unfurling of further processes in our country as well.

At the same time, there is a specifically expressed readiness to provide our country with significant financial support for the modernization and recovery of the Yugoslav economy, without which the great economic and social problems of our country cannot be overcome.

This implies the possibility that within a very short period we might secure significant financial resources on the basis of an agreement with the IMF, the International Bank for Reconstruction and Development, and the European Bank for Reconstruction and Development, and by the third protocol of the Paris Club decision concerning the rescheduling of debts and loans of the EC, which would guarantee the full convertibility of the dinar.

The realization of this support is dependent on the urgent unblocking of our constitutional and political crisis. This is, moreover, also the message of the declaration of the Twelve in which, among other things, the demand is made, or rather it is specified, that the normal transfer of the office of federal president, negotiations on future constitutional structures, the respect for human rights in all parts of the country, the intensification of the democratic process, as well as the continuation of the economic reform program of the FEC in a united Yugoslavia, will make it possible for a new dimension to be imparted to relations between the community and Yugoslavia, in view of the traditional ties between them.

All countries that took part in the CSCE meeting expressed in a statement support for such an approach and for the country's integrity. Let me say that at the time I presented that report, U.S. Secretary of State James Baker and the head of the new European Bank [for Reconstruction and Development] Attali were in Yugoslavia. I must use this opportunity to stress that Baker had authority from not just the United States and the EC, but also the whole of Europe and the CSCE. Asked explicitly, not in the course of talks with me—I had over three hours of long talks with him—but asked by journalists how he would accept dissociation of some republics, specifically Slovenia, he said: We would not recognize Slovenia's dissociation; we would oppose all acts that were not reached by agreement, by consensus. This is not just the U.S. view. All countries oppose unilateral acts that could endanger a possibility for a peaceful resolution of Yugoslav relations.

The overall situation in the country—economically, socially, and politically—which is very dramatic, will deteriorate further unless the interethnic and interrepublican conflicts end immediately. In a situation in which we have a net outflow in 1991 alone of capital, together with interest of $4.8 billion, unless we have support from foreign countries, we are heading toward a complete erosion and collapse of manufacturing, to external and internal illiquidity, to a shortage of goods, to large-scale unemployment, and to a drastic decline in the living standards of citizens in all parts of the country, with possible disturbances as a result of social and human trauma. This could end with such a degree of dissatisfaction that no one would be able to halt a social explosion. In this way civil, interethnic, and interrepublican war will become a real danger.

The elimination by agreement of the political reasons for this situation will make possible the functioning of the system as a whole and in its parts. In addition to this, the simple act of returning to the reforms and the policy of stabilization will represent a guarantee to the European and world community that we are prepared for and capable of resolving our own problems, by ourselves, in a democratic and peaceful way. This is also the condition for obtaining financial and other international support, that will enable us not only to halt the complete erosion and disintegration of the system and the country, and economic collapse and social poverty, but also to provide an essential stimulus to the new growth and development of all parts and the country as a whole, accompanied by the positive resolution of the present economic, political, social, state and interrepublican crisis.

I am sure that we are all thoroughly convinced that these are decisive and crucial moments for our country. The fate of perhaps several generations will depend on the steps taken by each of us and by each one who has an influence on the policy of the country, and also by each of our citizens. No one has the right to abuse his power and provoke consequences that will affect millions of our people for a very long time to come. In order to change the achievements and attainments that are the result of the aspirations and efforts of many generations and of intellectuals over a period of more than a century, many democratic talks are needed, because it is only in this way that the expression of wisdom comes about. Unless this happens, we risk only violence.

It is not a matter of whether we want radical changes—and in keeping with the new aspirations and contemporary ranges of democracy—human freedoms and modern business operations in Europe and the world. This FEC has been subordinating its programs and work precisely to this goal during the whole of its period in office.

It is a matter of what is the realistic and democratic way to achieve this. Our views and proposals on how we should achieve this so that it serves the prosperity and happiness of everyone, and at the same time the trust of the international community in Yugoslavia, and thus also in all of us, without which no one has a reliable future, are contained in what I have just set out.

Let us set emotions, sensitivity, and prejudice aside. This is the moment to make decisions, demanding that we rise above everything, as we did so many times in the past. Thank you for your attention. [applause]

Federal Chamber Discusses Slovene Dissociation

LD2506094491 Belgrade TANJUG Domestic Service in Serbo-Croatian 0908 GMT 25 Jun 91

[Text] Belgrade, 25 Jun (TANJUG)—The Federal Chamber of the Yugoslav Assembly has begun a debate on the resolution of the Yugoslav crisis. Delegates will set out their views on the statement of the Assembly of the Republic of Slovenia on dissociation and consider the stances and proposals of the Federal Executive Council to resolve the crisis and relations in the Yugoslav community.

Under the second item on the agenda consideration will also be given to the implementation of the conclusion of the Federal Chamber on overcoming the crisis surrounding the constitution and work of the SFRY Presidency.

Press Comments on Upcoming Slovene Independence

LD2306132891 Belgrade TANJUG in English 1138 GMT 23 Jun 91

[Text] Belgrade, June 23 (TANJUG)—Slovenes will on June 26 experience another parliamentary, declarative secession, but even after that Yugoslavia's northwestern republic will not function as an independent system with clearly defined borders, the weekly VREME writes.

The weekly of liberal and reformist leanings in the Yugoslav and Serbian capital says that "although the Slovenian Assembly declared most Federal laws null and void, the republic will not enjoy complete and factual power after June 26".

Thus, fewer and fewer Slovenians see any reason for pomp or celebration of independence of a state without a currency or passports of its own and whose foreign minister attended the CSCE (Conference on Security and Cooperation in Europe) ministerial meeting as "guest" of a delegation of a neighbouring country, VREME points out.

"It has become clear that Slovenia, instead of quick and unilateral secession is in for months of painstaking talks and living together with its southern brothers", VREME writes.

The Belgrade daily VECERNJE NOVOSTI writes that after Prime M:nister Ante Markovic precisely set out the stand of the Federal government in the Yugoslav parliament on Friday, it is clear that "disassociation is a political, not legal act, and everything that will happen on June 26 does not have legal validity in Yugoslavia, and especially outside its borders".

"The Federal government has major support from abroad—the European Community, the United States, the Soviet Union, CSCE... for its stands", VECERNJE NOVOSTI goes on to say.

"What is undermining international support to Slovenia is, primarily, exclusivism in the stands of its leaders. This also applies to all other republican leaders...and entrenched positions and intransigence have resulted in that the leaders have become prisoners of the current chaotic situation. Compromise in such relations is impossible", VECERNJE NOVOSTI writes.

Draft Slovene Act of Autonomy, Independence

LD2506091291 Belgrade TANJUG Domestic Service in Serbo-Croatian 0802 GMT 25 Jun 91

[Text] Ljubljana, 25 Jun (TANJUG)—A session of the Slovene Assembly late last night discussed the draft constitutional act on the autonomy and independence of the Republic of Slovenia. There will be a vote on the constitutional act this evening at a joint session of all three chambers of the Assembly of the republic of Slovenia.

The draft constitutional act on the autonomy and independence of the republic of Slovenia reads:

I

The Republic of Slovenia is an autonomous and independent state. The SFRY Constitution ceases to be valid

in the republic of Slovenia. The Republic of Slovenia assumes all the rights and duties that were transferred to organs of the SFRY by the constitution of the Republic of Slovenia and the SFRY Constitution. The assumption of these rights and duties is set out in the constitutional law.

II

The state borders of the Republic of Slovenia are the internationally recognized state borders of the hitherto SFRY with the Republic of Austria, the Republic of Italy, and the Republic of Hungary in places where these states have borders with the Republic of Slovenia, and the border the Republic of Slovenia and the Republic of Croatia [share] within the hitherto SFRY.

III

The Republic of Slovenia ensures the preservation of human rights and basic freedoms for all persons on the territory of the Republic of Slovenia regardless of their national affiliation and devoid of any discrimination, in keeping with the constitution of the republic of Slovenia and (currently) valid international treaties. All rights set out in the constitution of the republic of Slovenia and (currently) valid international treaties are ensured for the Italian and Hungarian communities in the Republic of Slovenia and for their members.

IV

This constitutional act comes into effect with its proclamation at the joint session of all the chambers of the Assembly of the Republic of Slovenia.

Press Views Slovene, Croatian Independence

LD2406201391 Belgrade TANJUG in English 1346 GMT 24 Jun 91

[Text] Belgrade, June 22 (TANJUG)—Two days before June 26, "it is still unknown in Slovenia whether the republic will secede or disassociate from Yugoslavia and by what documents will it be done,' the Belgrade daily BORBA writes today.

"Although announcements about this event have been coming for some time, Slovene officials are unwilling to explain, or do not know what will happen on June 26, says the paper, adding, "there is anything but unity in top Slovene circles."

On June 26, the parliament of Slovenia is to proclaim the republic's independence on the basis of the results of a plebiscite.

The Slovene daily DELO today publishes a commentary entitled, "The Matter for the Brave," pointing out as the most important that "we are going on."

"International recognition will not be forthcoming at once, but the most important thing is that there will be no special trade or financial blockade on any side. It is also clear that there will be no major difficulties with the army," says DELO.

Another Ljubljana daily, NEODVISNI DNEVNIK, says that Slovenia will on Wednesday proclaim itself an independent state, but points to the necessity of "its joining in European integration trends gradually, and not in a headlong way."

The daily VJESNIK, close to the Government of Croatia where a similar process has been set for the end of this month, writes that the planned independence implies "implementation of the rights of the Croats and all citizens of the republic to self-determination."

"The crucial argument in favour of independence and of gaining recognition for Croatia as a subject of international law, is that present-day Yugoslavia is founded on the same principles as new Europe and the free world—pluralist parliamentary democracy, market economy, and human rights and freedoms," writes VJESNIK.

Another Croatian daily, VECERNJI LIST, reminds its readers today that the "process of disassociation is a long one."

"Therefore, and also because of the still existing recognition of Yugoslavia as a subject of international law, international recognition of the Republic of Croatia cannot be expected to be either quick, or simple," writes the paper.

It says that "Croatia will proclaim its independence by a constitutional decision" and "will offer the essential elements of a new mutual agreement, to be concluded among the sovereign Yugoslav republics, or rather platform for forming an alliance of sovereign republics."

The Belgrade daily VECERNJE NOVOSTI writes that Croatian President Tudjman "is going somewhat more cautiously than Slovenian President Kucan" because a "Serbian revolt is expected after, or possibly even before, the proclamation of disassociation by a state document."

Serbs make up 11 per cent of Croatia's population. Interethnic relations in the republic have been strained in recent months, and there was a loss of human lives in armed clashes between Serbs and the Croatian police.

A number of predominantly Serb-populated communes and municipalities in Croatia have proclaimed the so-called Serbian autonomous region of Krajina, which the Croatian authorities do not recognize. Serbs in Krajina also voted to join Serbia and "what remains as Yugoslavia" following Croatia's independence.

VECERNJE NOVOSTI warns that after Slovenia becomes independent, "it will face what by no means is a rosy future, at least for several years."

The paper says that the "Slovenian economy is in a state of collapse, with the number of strikes growing and unemployment rising" while "large sums of money are

being spent for buying arms, tailoring new uniforms, and printing the currency which is unlikely to be in circulation in a foreseeable future."

Federal Chamber Against Slovenia's Secession

AU2406143291 Belgrade Radio Belgrade Network in Serbo-Croatian 1300 GMT 24 Jun 91

[Olivija Rusovac report]

[Text] The Committee for Sociopolitical Relations of the Federal Chamber of the SFRY Assembly discussed the Slovene (?Assembly's) statement on dissociation and the platforms of the Federal Executive Council and Presidents Alija Izetbegovic and Kiro Gligorov regarding the organization of future relations in the Yugoslav community. Judging by the discussion hitherto, (?these two) platforms, particularly the one proposed by the federal government, were assessed as positive. On the other hand, the majority of delegates did not show any understanding for the Slovene Assembly's (?statement). Olivija Rusovac reports:

[Rusovac] The majority of delegates consider the Slovene Assembly's statement on dissociation to be an unacceptable and unilateral act. The delegates from Slovenia and Stjepan Novakovic from Croatia claimed [words indistinct] on agreement on a future organization of common relations.

Vlado Kambovski, federal secretary for justice, (?expressed) the view that nothing spectacular will happen on 26 June concerning the realization of common functions or state borders. Some delegates were not satisfied with this. They demanded an answer to the question as to what the army and police would do.

In a brief statement to your reporter, Vlado Kambovski said that [words indistinct] its job, as could have been seen in the case of customs. The army, too, is one of the functions of the federation that will not be (?hindered) by unilateral acts.

The Legislative and Legal Commission concluded this morning to (?propose) to the Federal Executive Council [words indistinct] Slovenia's statement and cannot be the basis for the discussion on future relations. The right to self-determination can be worked out together with all peoples and therefore one should immediately start working on the adoption of a constitutional act that would regulate the right to self-determination, including secession. All unilateral acts should be prevented and Yugoslavia must inform the international community (?and its neighbors) about possible consequences [words indistinct] and the disintegration of the country.

The session of the Committee for Sociopolitical Relations is still continuing.

Slovenia Criticizes EC Decision on Nonrecognition

LD2406135391 Belgrade TANJUG in English 1038 GMT 24 Jun 91

[Text] Ljubljana, June 24 (TANJUG)—The Secretariat for International Relations of the Yugoslav Republic of Slovenia today assesses as [words indistinct] the attitude adopted by the European Community not to recognize the independence of Slovenia and Croatia if they should unilaterally decide to step out of the Yugoslav federation.

'The attitude of the European Twelve is surprising, coming as it does before the formal decision of our two republics', says a statement released by the Slovenian secretariat. The statement stresses that 'so far, we have not applied to a single state for recognition'.

'We are surprised also by the supposition that this is a unilateral decision', says the republican secretariat in its statement.

As for Slovenia, it does not consider the process of disassociation as a unilateral decision, but as a crucial move in the process of consultations, talks and cooperation on shaping new relations, necessary for a peaceful co-existence of the Yugoslav nations, the statement explains.

The statement says that Slovenia considers the decision of the Twelve as pressure brought to bear on democratic processes in Yugoslavia and the 'attitude of the Twelve in this context as controversial and demanding scrutiny'.

'Slovenia's external policy cannot and will not ignore the international public and relations in Europe but, at the same time, it is not prepared to forget a decision reached by Slovenes in a plebiscite, when it is a question of democratic will and over-all activity of the Slovenian state institutions', stresses the statement released by the republican secretariat.

In keeping with a decision reached in a plebiscite, the Republic of Slovenia has announced independence from Yugoslavia for June 26.

Peterle on Slovenia's Independence

LD2406170191 Belgrade TANJUG in English 1418 GMT 24 Jun 91

[Text] Ljubljana, June 24 (TANJUG)—Prime Minister of the Yugoslav Republic of Slovenia Lojze Peterle stated today that nothing spectacular was to happen the day after Slovenia declared its independence on June 26.

"Certain elements of sovereignty, such as the defence domain, diplomacy and monetary system questions, cannot be realized overnight," Peterle told a news conference for domestic and foreign journalists.

The Slovenian prime minister assessed that what was involved was a formally legal act on the basis of which Slovenia would later take over the effective powers.

In conformity with the decision made by last December's plebiscite, Slovenia announced declaring its independence from Yugoslavia on June 26.

Slovenia's border with Croatia would be marked, but it would be very easy to cross, whereas the signs "Socialist Federal Republic of Yugoslavia" would be removed from its other border crossings, said Peterle.

The Slovenian prime minister also announced that the Slovenian delegation would be withdrawn from the federal chamber of the federal parliament. During the transition period, said he, the affairs related to the dissociation would be performed by a 12- member delegation.

Asked whether the Yugoslav Army might intervene after Slovenia proclaimed independence, Peterle said that he saw no genuine resons for any such move. "Every forceful intervention," said he, "would be counterproductive and would still further aggravate an already bad situation."

Slovene Assembly Discusses More Independence Laws

tU2406192191 Ljubljana Radio Slovenia Network in Slovene 1700 GMT 24 Jun 91

[Vesna Burnik report]

[Text] The deputies of all three chambers of the Slovene Assembly gathered at a joint session late this afternoon. Although they initially intended to hold a closed session, at the prompting by deputies Joze Smole and Lev Kreft they decided to keep the session open to the public.

The deputies discussed the Constitutional Act on Sovereign and Independent Slovenia, the Constitutional Law, and the Declaration of Slovene Independence. Vesna Burnik reports:

[Burnik] The Slovene Assembly discussed the Constitutional Act on Sovereign and Independent Republic of Slovenia at the joint session today. As Dr. France Bucar, president of the Assembly and of the Constitutional Commission, said in the introduction, this is a fundamental act by which independence will be declared. The significance of this act is that it will render the Federal Constitution invalid in Slovenia.

The Constitutional Law regulates the takeover of the functions that had been performed by the Federation. According to this law, the term of office of the deputies in the Chamber of Republics and Provinces and the deputies in the Federal Chamber expires on 30 June. The Assembly will (?set up) a group consisting of 12 members that will negotiate dissociation in the Chamber of Republics and Provinces.

According to what was proposed, Dr. Janez Drnovsek, who has been a member of the SFRY Presidency, will be authorized to represent the Republic of Slovenia in this body. It is also stated in the Constitutional Law that only international agreements signed by Yugoslavia will be valid in Slovenia. We (?have just) obtained a document that was still strictly confidential half an hour ago. Therefore, allow me to quote from it a regulation that says that all those federal laws for which we have not formulated our own regulations yet will be appropriately used in Slovenia. The so- called Slovene Independence Laws that have recently been adopted by the Assembly will also become valid on the day that the Constitutional Law is adopted.

Those two laws will be accompanied by the Declaration of Independence with which the Slovene Assembly will explain its reasons for seceding. At the same time it will tell Yugoslavia that it wishes to discuss possible forms of cooperation.

As Dr. Bucar said in the introduction, Milan Kucan and Lojze Peterle will address the deputies about their views on the process of independence and effective independence before the adoption of these laws tomorrow or the day after.

Slovenia To Adopt 'Constitutional Act' 26 Jun

LD2406190691 Belgrade TANJUG in English 1721 GMT 24 Jun 91

[Text] Ljubljana, June 24 (TANJUG)—President of the parliament of the Yugoslav Republic of Slovenia Dr France Bucar stated today that "the world will have sooner or later to recognize the state of Slovenia."

Bucar explained at a news conference that in two days, on June 26, the Slovenian parliament would adopt "a constitutional act" turning Slovenia into an independent state.

"Slovenia realizes that the U.S. now is not ready to recognize a new state," said Bucar. As he put it, "such a stance is not unexpected," but the world would once have to acknowledge "the existing state of affairs."

Foreign governments were unprepared to recognize Slovenia as the state, but, said Bucar, non-government associations together with political parties and businessmen were expressing sympathies for Slovenia's "step towards independence."

Bucar explained that the move presumed a "formally legislative gaining of independence" after which the "legal order of the SFRY will cease to (?operate) in Slovenian territory. "From that time on, we shall recognize the federal government only as a transitional administrative government that will enable the liquidation of the joint enterprise called Yugoslavia," Bucar added.

Slovene Assembly Approves New State Symbols

AU2406211091 Belgrade Radio Belgrade Network in Serbo-Croatian 2000 GMT 24 Jun 91

[Text] This evening, the Slovene Assembly held a plenary session in Ljubljana at which the deputies discussed the documents for the final independence of this republic. The assembly also adopted the amendment on new symbols. Dragoslav Kosaric reports.

[Kosaric] The Declaration on Independence, which was obviously primarily directed at the international public, explains in five chapters the reasons Slovenia is proclaiming itself an independent state and specific moves with the stress on Slovenia as an international subject.

Another document, the Constitutional Act, states that the federal constitution ceases to apply to Slovenia and that Slovenia is taking over all rights and responsibilities that this republic transferred to the federation. The Constitutional Law spells out and specifies all procedures and measures that will follow after the proclamation of independence. So, the term of office of the delegates to the Federal Chamber of the SFRY Assembly will expire and the Slovene Assembly will elect a 12-member delegation that will take part in the negotiations in the SFRY Assembly on Slovenia's dissociation from, as stated, what was until now Yugoslavia.

According to this law, Dr. Janez Drnovsek, member of the SFRY Presidency from this republic, will take part in the work of the SFRY Presidency until the final dissociation. Slovenia considers valid all international agreements signed by Yugoslavia. They should be ratified by the assembly of this republic within three months.

The Constitutional Law states that the Bank of Slovenia, the Republican Customs Administration, the Republican Foreign Exchange Inspectorate, the Republican Air Traffic Office and other bodies will commence work on the independence day. The law also states that Slovenia will assume the management of all material assets that are presently managed by federal organs. As far as the material goods of the Yugoslav People's Army are concerned, the law calls for a gradual takeover that will last until 1993.

After the discussion on these documents and the proposed amendments, the Slovene Assembly, after the third round of voting, adopted with the necessary two-thirds majority the amendment to Article 100 of the republican constitution on new symbols.

So, on Wednesday, instead of the present flag with a five-pointed star there will be a white-blue-red flag with a new coat of arms for the Republic of Slovenia.

Croatian Independence Proclamation Expected Today

LD2506100191 Belgrade TANJUG Domestic Service in Serbo-Croatian 0844 GMT 25 Jun 91

[Text] Zagreb, 25 Jun (TANJUG)—Today the Croatian Assembly will consider and probably also accept the declaration on the proclamation of the sovereign and autonomous republic of Croatia, and the accompanying constitutional decision and constitutional law.

This was announced this morning at the beginning of the sixth day of the permanent session of the Croatian Assembly, at which consideration is being given to the acts on dissociation from Yugoslavia and the functioning of the autonomous state.

"With this act the republic of Croatia will launch proceedings for dissociation from other republics and for international recognition," the draft constitutional decision on the sovereignty and autonomy of the republic of Croatia says.

The constitutional decision and constitutional law on the sovereignty and autonomy of the republic of Croatia, it is stressed in these acts, will come into force when they are proclaimed by the Assembly of the republic of Croatia. It is expected that during the day delegates will be handed out a fourth document as well—the act on the rights of nationalities in the republic of Croatia. According to unofficial information, it is envisaged that in the late afternoon President Franjo Tudjman will address deputies, after which it is announced, the proclamation of a sovereign and autonomous republic of Croatia will take place.

Vienna Radio Reports on Independence Preparations

AU2506095191 Vienna Oesterreich Eins Radio Network in German 0500 GMT 25 Jun 91

[Austrian Broadcasting Service, Yugoslav reporter Otto Hoermann report]

[Excerpts] According to the daily VJESNIK it its only a matter of a few hours before Croatia declares its independence, yet nobody seems to be awaiting the day in a fever of anticipation. So far it has not even been announced at what time and in what official way the event will be celebrated or whether there will be any celebrations at all.

Although in the past the authorities knew very well how to mobilize the citizens for matters of national importance, recently emotions have not been further whipped up as one might have expected. Official political sources now emphasize that it will be a smooth separation rather than a dramatic secession.

The main event of yesterday's legislative session was the speech by the head of the federal government, [Prime

Minister Ante] Markovic, and the ensuing debate. Markovic was sharply criticized for his proposal of a third Yugoslavia, a reformed federation of sovereign republics with democracy, human rights, and market economy. Markovic had to put up with being described as a romantic because he thought that there were still common interests, when in reality the individual republics are now anxious to pursue only their own interests. Markovic said that he was proud of being a Croat, but he was never interested in symbols. [passage omitted]

On the road linking Ljubljana and Zagreb as well as in other places, the Slovenes have made the first preparations for setting up a border checkpoint. A few meters away, the Croats had previously set up the first border sign bearing the name of their republic. Constraints of international policy make it necessary that the two republics carry out their external exercises in connection with independence together and at their common border. Yet there are also some who consider this to be the beginning of a not so harmonious bilateral relationship. [passage omitted]

[Announcer] Austrian representatives will also participate in the independence celebrations in Ljubljana. Although Foreign Minister Mock will not attend—the Foreign Ministry, and thus official Austria, remains in a wait-and-see position—the celebrations in Ljubljana will be attended by Vienna's Mayor Zilk, Styrian Governor Krainer, and the new Carinthian governor, Zernatto, who will most probably be in office by then.

Croatia To Declare Independence 25 Jun

AU2506101491 Paris AFP in English 1005 GMT 25 Jun 91

[Text] Zagreb, Yugoslavia, June 24 (AFP)—The Croatian parliament decided to declare the republic independent on Tuesday, a day earlier than expected, television reported.

Croatian television, which was broadcasting the session live, said that the republic's President Franjo Tudjman would make the independence proclamation.

Slovenia is expected to declare independence by late Wednesday.

Croat Assembly Discusses Dissociation

AU2406170091 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 24 Jun 91

[Jasminka Dudic report]

[Excerpts] The permanent session of the Croatian Assembly resumed today with a joint session at which the delegates were addressed by Ante Markovic, president of the Federal Executive Council. As we reported earlier, his speech has caused numerous and mainly negative reactions by the Assembly parties and deputies. Jasminka Dudic has prepared a report on this session:

[Dudic] Having thanked President of the Republic Dr. Franjo Tudjman for inviting him to address the assembly, Federal Premier Ante Markovic spoke about the past two-year period, stressing initial results and the regress made in the last nine months. [passage omitted]

After the meeting of the party caucuses, the SDP [Party for Democratic Changes] decided not to present its views in the Assembly because, as Ivan Matija said, it had already presented its views on the general political reform.

Speaking on behalf of the HDZ [Croatian Democratic Community], Ivan Vekic sharply condemned the speech by Federal Minister Budimir Loncar at the CSCE meeting in Berlin, who did not speak in the way he was expected to speak, but proposed to Europe that it support the status quo and not interfere with the communist system because only in this way would Yugoslavia again be, as Loncar said, a stabilizing factor.

Loncar has not managed to rid himself of the communist and unitarianist ideology and has kept silent on the truth about the absence of recognition for democratic changes in some republics as well as the fact that one of the republics does not recognize internal borders. Since in this way Loncar excluded himself from representing Croatia in the future, Ivan Vekic proposed:

[Begin Vekic recording] As a representative in the Croatian State Assembly, I propose that the Assembly ask competent organs to start the process of establishing the responsibility of Budimir Loncar, minister for foreign affairs, for, first, giving untrue and malicious information to the world public, for an open unitarianist and hegemonistic stand on the resolution to the crisis, and finally for his real opposition to the interests of the citizens of Croatia. Thank you very much. [end recording]

Vladimir Seks added that the Assembly should dissociate itself from Loncar's statements. Addressing Ante Markovic, he stressed that he did not hear anything new from him. Markovic tried to persuade us to give up the idea of dissociation but did not take into account democratic elections, the new constitution, and the will of the people of Croatia expressed at the referendum. He criticized the federal prime minister for not mentioning the name of the republic responsible for the abolishment of autonomy in Yugoslavia and the incursions into the monetary system and stressed that the Federal Executive Council is not giving guarantees that Serbia will stop its imperial policy.

Yugoslavia is an artificial product in which Croatia has experienced regression. This was stated by Vladimir Veselica on behalf of the HDS [Croatian Democratic Party]. A sovereign and independent Croatia does not want to undermine the independence of other republics, but without economic sovereignty it cannot solve its problems and open roads to progress. We will develop Croatia, defend its civilizational and democratic

achievements. Independent Croatia will free Serbia and the Serbian people in Croatia from terror.

Vice Vukojevic warned that Bolshevism in the East and democracy in the West cannot coexist. We have armed ourselves in the legal and legitimate way while the federal government closed its eyes before the arming of terrorists (?from state) factories in Krajina and Bosnia. He proposed that the coordinators of the Federal Secretariat for Internal Affairs who are working for Martic [Milan] withdraw from Croatia.

(?Ivan Milas) reproached Markovic for not tying the resolution to the crisis to a historic dimension, while Neven Jurica said that Markovic was speaking from the point of view of Yugoslavia's interests without taking into account the interest of Croatia and other republics.

Stating that Yugoslavia has lost its legitimacy and legality, Dr. Sime Dzodan condemned the president of the Federal Executive Council for not preventing Serbia from liquidating two provinces. He asked the president of the Federal Executive Council whether he was the boss of the minister for the army, which behaves as a state above a state. If Yugoslavia is a colony of international capital, Dr. Dzodan said, then Croatia is a colony within a colony, because it has been deprived of a third of its social product. State and legal acts that are being adopted do not represent unilateral secession but a new form for cooperation with Europe in the interim period.

Dr. Hrvoje Kacic said that we cannot talk about Yugoslavia as fiction, as it was a subject of international law. He said that the will of the people expressed at the referendum is an imperative and a law and that it must be implemented without delay, but that the date set for this by the Assembly is too early. I am fed up, Dr. Kacic said, with a Yugoslavia that can only be Serboslavia. He was in favor of building bridges toward Europe in the spirit of the Paris Convention for a new Europe. This is our duty toward all republics except Serbia.

Zeljko Mazar stressed that it was good that the speech of the federal prime minister, whom he criticized for being late in implementing political reforms, started a discussion on the state- legal documents that should be adopted by the Assembly. The reputation of Croatia, however, Mazar said, must not be endangered with unilateral decisions that disregard the territorial integrity of Yugoslavia. This is demanded from us by the international community, not to save Yugoslavia, but to preserve its internal and outside borders.

Branko Puharic said that the interests of Europe are characterized by fear that the Balkans could disturb its international [word indistinct] currents. He was in favor of an agreement between independent and sovereign states of Yugoslavia, an agreement that would at the same time bring Croatia closer to Europe.

Stjepan Sulimanac, who said that nobody can change the will of the people expressed at the referendum, was followed by Bozo Marendic, federal secretary for development. He tried to answer several question raised by the Assembly deputies.

The president of the Assembly said that 11 more deputies were going to speak.

Croatian State Council Discusses Situation

LD2406183691 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 23 Jun 91

[Text] We have just received the following statement from the eighth session of the Supreme Council of State which, as we reported earlier, was held today at the request of President Franjo Tudjman:

At the session the Supreme Council of State discussed the political situation in the republic on the eve of the adoption of the assembly decisions on the process of independence, analyzed draft documents to be submitted to the assembly, for adoption and proposed improvements to a number of acts.

It was stated that speeding up the process of independence will require additional efforts by all institutions to overcome the difficulties in the transitional period and possible fresh provocations directed at citizens and the organs of the Republic of Croatia.

It was also stressed that, in parallel with the complex processes of dissoociation, it is necessary to speed up negotiations with other republics and federal institutions about the formation of a new community of sovereign states.

The Supreme Council of State also considered a draft law on Croatian Radio and Television which is currently in the assembly for regular legislative procedure. The draft law calls for the Croatian Radio and Television becoming a single public company to replace the present four individual enterprises. Under the draft law, the work of Croatian Television will be supervised by a council consisting of representatives of the parties represented in the assembly together with representatives of the most important cultural, educational, religious and other institutions. The board of management will be appointed by the state. The law will terminate the self-managing structure and organization, which will be replaced by public supervision and modern management in line with Western diplomatic models and experience, the statement stresses in conclusion.

Croatian Press Views Markovic's Strategy

LD2406193591 Belgrade TANJUG in English 1154 GMT 24 Jun 91

[Text] Zagreb, June 24 (TANJUG)—The press in the Yugoslav Republic of Croatia today stresses that the attitude of the government of Federal Prime Minister Ante Markovic will be "of special importance" for the announced independence of the republics of Croatia and Slovenia.

The Zagreb daily VJESNIK writes that the Markovic government has adopted a two-track strategy. "On the international plane, it must often accuse the republics, in order to spread the conviction that there is still a chance of a democratic reintegration of Yugoslavia. On the home front, however, the federal government must adopt a reproachful political tone to all, in order to retain political power', VJESNIK writes.

"Equalization of obvious differences is proving a crucial obstacle to taking autonomous and effective moves with which the Markovic government might more dynamically take the entire apparatus from the state, political and economic blockade", writes VJESNIK, which is close to the Croatian Government.

The daily notes that many of the assessments made by the Federal Government are true, but adds that they are not much of a foothold for a "tactic of deliberately equating all the republics". Vjesnik writes that this is only a "perpetuation of the former practice of maintaining an unprofitable political balance in Yugoslavia".

The independent Croatian daily ZAPAD writes that Markovic's speech in the Federal Assembly last week "did not surprise the public".

"Reason, reform, order and work remain at the core of the call addressed to all in the country, primarily to some hotheads who are persistently refusing to realize that the world will turn its back on us and shut its coffers tight if we do not reach agreement peacefully and democratically", writes ZAPAD.

Croatian Parties Comment on Manolic's Views

LD2406224491 Belgrade TANJUG in English 2204 GMT 24 Jun 91

[Text] Zagreb, June 24 (TANJUG)—Croatian Premier Josip Manolic stated on Monday in Croatia's parliament in Zagreb that dissociation was no secession, and that the results of the 70 years of living together in Yugoslavia should be summed up.

Manolic was the last who referred to the morning speech of Federal Prime Minister Ante Markovic in Croatia's parliament, which is in permanent session prior to Croatia's disassociation to be proclaimed by June 30.

Parliament Vice President Vladimir Seks said that "Croatian referendum decisions and conclusions of the parliament do not permit moving towards the creation of some third Yugoslavia (as the federal prime minister was trying to persuade us), but towards creating an alliance of sovereign states."

The federal prime minister urged reform, not disintegration of Yugoslav society, pointing out a similar stand of the international community.

The deputies of the ruling Croatian Democratic Union (HDZ) Ivan Milas and Neven Jurica pointed out the different policy pursued by the federal government from the one the Croatian people wanted, which have in a plebiscite favored independence of the republic.

However, Hrvoje Kacic from the opposition Croatian National Party (HNS) assessed that the [words indistinct]

Upholding the program of the federal government, President of the Socialist Party of Croatia Zeljko Mazar set out that it was late with political reforms and urged a Europeization of relations among the Yugoslav republics, and not establishing rigid state borders between them.

The representative of the main opposition party, party of Democratic Changes (SDP), reformed communists, Branko Puharic, assessed that Croatia can win the support of the international community as far as this did not question Yugoslavia's existence. He also warned of the negative consequences of Croatia's "possible act of secession."

Croatian Assembly Official Criticizes Loncar

LD2406230491 Belgrade TANJUG in English 2210 GMT 24 Jun 91

[Text] Zagreb, June 24 (TANJUG)—President of the group of deputies of the ruling Croatian Democratic Union in the Assembly of Croatia Ivan Vekic on Monday accused Federal Secretary for Foreign Affairs Budimir Loncar of untrue and malicious informing of the world public, an open unitaristic and hegemonistic stand in the settlement of the crisis and real opposition to the interests of the citizens of Croatia.

In an address to the Croatian Assembly, Vekic requested the initiating of procedures for establishing Loncar's responsibility.

According to Vekic, at last week's ministerial meeting in Berlin of the Conference on Security and Cooperation in Europe, Loncar intentionally failed to mention the truth about the crisis (in Yugoslavia) and its causes, and blamed the democratic changes, especially in Croatia and Slovenia, of being a factor of instability in Europe.

Vekic pronounced the criticism in the presence of Yugoslav Prime Minister Ante Markovic and a number of federal ministers during the permanent session of the Croatian Assembly before the dissociation of Croatia, which will follow a similar move by Slovenia on June 26.

Croatian Prime Minister Josip Manolic joined in the criticisms and said that some people were denouncing Croatia in the world.

Loncar, who on behalf of Yugoslavia has just signed an agreement on transport and a third financial protocol worth 807 million European currency units with the European Community in Brussels, will speak in the Croatian Assembly's Foreign Affairs Committee on Tuesday.

A news conference will be held afterwards.

Serb Leaders on Current Conflict

AU2406113691 Vienna PROFIL in German 24 Jun 91 p 75

["Parallel interview" with Vuk Draskovic, head of the Serbian Renaissance Movement, and Vojislav Seselj, head of the Serbian Radical Party, by Zoran Macejin; place and date not given: "Serbia Is Not Iraq"]

[Text] [Macejin] What is your vision of the future Yugoslavia?

[Draskovic] A democratic state with guaranteed rights in which actions are in line with European criteria and in which fruitful competition exists—this is how I would like Yugoslavia to be. Without yardsticks from the Middle Ages, without hatred, without mania, even though we have already made much progress on this wrong path.

[Seselj] Yugoslavia does not have any kind of great future anymore. This state is Serbia's big mistake. The Serbian people have sacrificed their blood for this country in vain; finally they have understood that they do not need Yugoslavia at all. In legal terms, Yugoslavia is the legal successor of the kingdom of Serbia, and a Serbian state should be the legal successor of this Yugoslavia. We think that the Serbs should meet with the Italians, Hungarians, and Austrians to jointly discuss the question of Yugoslavia's western territories: to the west of the line of Ogulin, Karlovac, and Virovitica. We think that the Adriatic islands should be returned to Italy, together with some other areas, that Austria should be given access to the sea via Slovenia, and Hungary should be given access to the sea via today's Croatia; after all, the Hungarians were the ones who expanded Rijeka; it would only be just to return it to them.

[Macejin] Why do the Serbs who live in the region of Krajina fight against the Croatian Government?

[Draskovic] Everyone who knows that Jasenovac (a Croatian concentration camp—the editors) was 43 times larger than Mauthausen, that in 1941 the Croatian state established itself as an independent state for the first time, and that this state's first step was the killing of more than 1 million Serbs, knows why. Those who remember these crimes do not want to live in this independent Croatian state for one day, not even for one hour.

[Seselj] The Croats have started to renew their policy of genocide against the Serbian people.

[Macejin] On the one hand, Serbia demands autonomy for the Serbs in Krajina, on the other it refuses to grant autonomy to the Albanians in Kosovo.

[Draskovic] Please do not tell stories. There is no country in the world in which minorities have such rights as the Albanians in Kosovo: the right to their own universities, to their own flag, the right that one of them can be the head of all of Serbia and also the head of state of all of Yugoslavia.

[Seselj] The Serbs are an integral element of the state; they founded Yugoslavia. The Albanians are a national minority, without the right to any kind of territorial autonomy.

[Macejin] What is your relationship with the Serbian government like?

[Draskovic] I am sorry that Serbia is being represented by a minority that is intolerant and communist and that presents us as an undemocratic people, as a people without its own tradition and past.

[Seselj] The government is always too late, for instance concerning the abolition of all communist symbols or the abolition of the monopoly over the mass media.

[Macejin] What are the primary goals of your parties?

[Draskovic] Of course, we are for a capitalist Yugoslavia, for a capitalist Serbia. You can get more details from our party program.

[Seselj] Serbia is to be expanded as a parliamentary state with a multiparty system and a modern legal view, in which all civil and human rights and all rights of minorities are respected. In the economy, we want the privatization of all producer goods, the sale of all state enterprises. We also want the encouragement of private initiative and the establishment of a unified tax rate of 20 percent for all kinds of income.

[Macejin] What role do the mass media play in Yugoslavia?

[Draskovic] Even though Serbia is a country with communist rulers, it does have a strong democratic opposition and a well-developed democratic press. In Croatia there is no opposition and no opposition press, in Croatia there is complete darkness, a narrow-mindedness of the national socialist type.

[Seselj] The mass media are liberating themselves slowly, they are becoming more pluralistic; the parties are being granted increasingly more space. I think that the press is relatively free everywhere in the country. However, the Croatian press is imbued with anti-Serbian hatred, while the Serbian press has to offer far more dissonant [as published] tones. There are no anti-Croatian newspapers in Zagreb.

[Macejin] What is your impression of the attitude of Europe and the world toward Yugoslavia and Serbia?

[Draskovic] There are still phobias from the time—at the beginning of this century—when Serbia was one of the most democratic states in Europe. We are getting from Europe something that is almost like a curse, such as anti-Semitism. We have always been considered some sort of extended arm of the Russian orthodoxy, as a

Russian base on the warm sea. Of course, the Russian people are our blood relatives, close to us in cultural and religious terms. We do not consider breaking these ties. But we really are a people who are full of democratic spirit.

[Seselj] I consider Europe's attitude toward Yugoslavia as incorrect and its attitude toward Serbia as unjust. The world forgets how much the Serbian people suffered under the Croatian regime of terror during World War II. However, even if the world is against us, we will not be swayed. We will not permit any military intervention, any peacekeeping forces of the United Nations, the EC, or the big powers. If someone decides to intervene here, he has to expect a new Vietnam. Because Serbia is not Iraq, and Serbs are not Arabs who can simply be liquidated by military force.

Gligorov Warns Against 'Fatal' Unilateral Moves

LD2506041491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1419 GMT 24 Jun 91

[Text] Skopje, 24 Jun (TANJUG)—Macedonian President Kiro Gligorov today briefed deputies of the Macedonian Assembly about his talks with U.S. Secretary of State James Baker. Addressing the deputies prior to today's session of the Macedonian Assembly, which marks the opening of a permanent session of the Assembly lasting until mid-July, Gligorov warned that the adoption of unilateral political and economic decisions by any republic would have fatal consequences in the political, economic, and even social spheres throughout the country.

Explaining the current political situation in the country, Gligorov stressed that Macedonia continues to advocate a peaceful resolution to the Yugoslav crisis and negotiations through which a solution accetable for all could be found. Macedonia is interested in cooperation with all republics, with neighboring and European countries, and will try to use its current reputation for overcoming the crisis. A stable Macedonia needs good interethnic relations, but the republic must prepare for a possible dissociation. So it is necessary to adopt as soon as possible appropriate laws, in case Macedonia is forced to become independent, Kiro Gligorov stressed.

Macedonia Prepares for Possible Dissociation

LD2206173591 Belgrade TANJUG in English 1630 GMT 22 Jun 91

[Text] Skopje, June 22 (TANJUG)—The government of Yugoslavia's Republic of Macedonia has prepared a package of measures in the event of Yugoslavia's disassociation, republican Premier Nikola Kljusev told reporters today.

Presenting his government's progamme, Kljusev emphasized that it proceeds from a declaration of sovereignty of the Macedonian state, the Izetbegovic-Gligorov platform on the transformation of Yugoslavia into an alliance of sovereign states, and a draft republican constitution.

The government's chief task is the passing of a bill on the transformation of social property which would not clash with federal laws, but enrich them with new ideas, he explained.

Kljusev also said that the first step in the transition to a market economy will leave between 50,000 and 70,000 people in the republic jobless, and that the government had prepared a series of social welfare laws.

Central Bank: Balance of Payments Deteriorating

LD2306174991 Belgrade TANJUG in English 1442 GMT 23 Jun 91

[Text] Belgrade, June 23 (TANJUG)—Vice-Governor of the National Bank of Yugoslavia (NBJ) Branko Dragas said here today that the country's balance of payments was deteriorating and that foreign currency reserves were decreasing. In an interview to TANJUG, Dragas said that the foreign currency reserves decreased by 5.2 billion dollars since October last year as a result of a drop in foreign currency payments in the services sector, remittances by Yugoslavs working abroad and foreign capital, and an ouflow of private foreign currency savings. Over the past 30 months, Yugoslavia has repaid about six billion dollars of its debt, more than it received in financial aid from abroad, he added.

This year, Yugoslavs have taken over 1.5 billion dollars from their foreign currency savings deposits, keeping them and another three billion dollars bought from banks last year at their homes or in banks abroad because of the lack of confidence in the country's economic and political system, said Dragas.

Commenting on recent demands for a new devaluation of the national currency, the dinar, Dragas said that "everybody is against devaluation" and that it would be senseless and harmful. In late December last year, the dinar devalued by 28.6 per cent and in April this year by another 44.4 per cent. This is above the rise in domestic prices of about 39 per cent this year, Dragas explained, adding that the problem of the black market on which the dinar sells for 40 per cent above the official rate (13 dinars for one German mark) could not be solved by devaluation.

According to the NBJ vice-governor, the situation regarding the foreign currency inflow and foreign credits and investments can only be improved by efficacious economic policy measures for implementing the economic stabilization programme, provided that the political situation stabilizes.